

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0136  
Expires July 31, 2010

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU01304
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES, INC. Contact: KAYLENE R GARDNER E-Mail: kaylene_gardner@eogresources.com		7. If Unit or CA Agreement, Name and No.
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078		8. Lease Name and Well No. EAST CHAPITA 88-03
3b. Phone No. (include area code) Ph: 435-781-9111		9. API Well No. 43-047-40512
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SWNE 2107FNL 1995FEL 40.06617 N Lat, 109.31089 W Lon At proposed prod. zone SWNE 2107FNL 1995FEL 40.06617 N Lat, 109.31089 W Lon		10. Field and Pool, or Exploratory NATURAL BUTTES
14. Distance in miles and direction from nearest town or post office* 58.2 MILES SOUTH OF VERNAL		11. Sec., T., R., M., or Blk. and Survey or Area Sec 3 T9S R23E Mer SLB
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1995	16. No. of Acres in Lease 2451.00	12. County or Parish UINTAH
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 1840	19. Proposed Depth 9250 MD	13. State UT
21. Elevations (Show whether DF, KB, RT, GL, etc.) 4993 GL	22. Approximate date work will start	17. Spacing Unit dedicated to this well
		20. BLM/BIA Bond No. on file NM 2308
		23. Estimated duration 45-DAYS

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature (Electronic Submission) 	Name (Printed/Typed) KAYLENE R GARDNER Ph: 435-781-9111	Date 01/22/2009
Title REGULATORY ADMINISTRATOR		
Approved by (Signature) 	Name (Printed/Typed) BRADLEY G. HILL	Date 01-29-09
Title ENVIRONMENTAL MANAGER		

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #66574 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal

Federal Approval of this  
Action is Necessary

RECEIVED

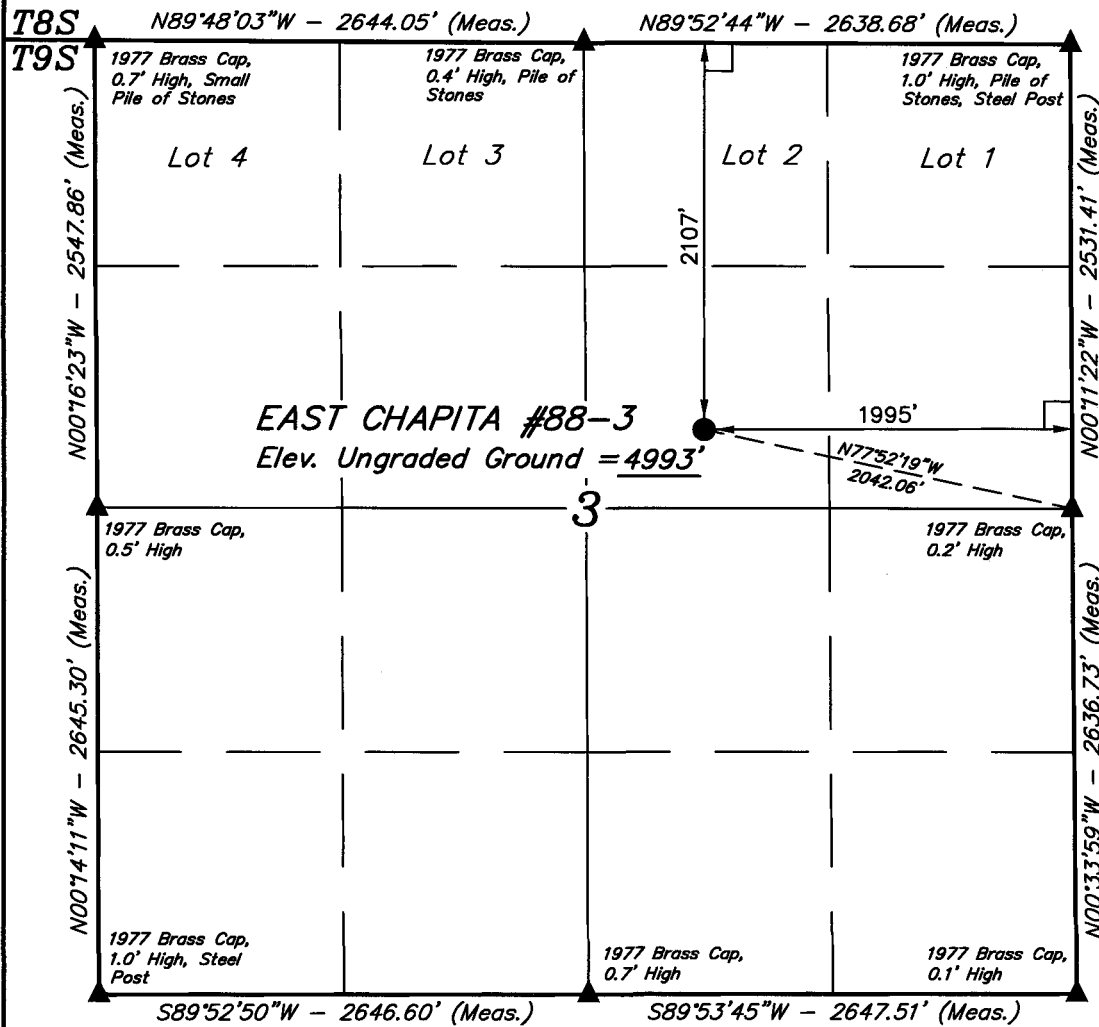
JAN 28 2009

DIV. OF OIL, GAS & MINING

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*

644115X  
4436262Y  
40.066189  
-109.310126

**T9S, R23E, S.L.B.&M.**



**LEGEND:**

- └─ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

(NAD 83)  
 LATITUDE = 40°03'58.22" (40.066172)  
 LONGITUDE = 109°18'39.20" (109.310889)  
 (NAD 27)  
 LATITUDE = 40°03'58.34" (40.066206)  
 LONGITUDE = 109°18'36.76" (109.310211)

**EOG RESOURCES, INC.**

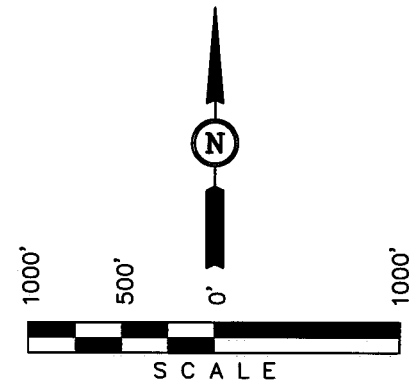
Well location, EAST CHAPITA #88-3, located as shown in the SW 1/4 NE 1/4 of Section 3, T9S, R23E, S.L.B.&M., Uintah County, Utah.

**BASIS OF ELEVATION**

BENCHMARK 58 EAM (1965) LOCATED IN THE NE 1/4 OF SECTION 30, T9S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH SE, QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5132 FEET.

**BASIS OF BEARINGS**

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



**CERTIFICATE**

THIS IS TO CERTIFY THAT THE ABOVE MAP WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

**ROBERT L. KAY**  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 161319  
 STATE OF UTAH

**UINTAH ENGINEERING & LAND SURVEYING**  
 85 SOUTH 200 EAST - VERNAL, UTAH 84078  
 (435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 08-29-08	DATE DRAWN: 09-11-08
PARTY T.M. M.H. C.C.	REFERENCES G.L.O. PLAT	
WEATHER HOT	FILE EOG RESOURCES, INC.	

## EIGHT POINT PLAN

### EAST CHAPITA 88-03 SW/NE, SEC. 3, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

#### 1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,955		Shale	
Mahogany Oil Bed Shale	2,596		Shale	
Wasatch	4,811	Primary	Sandstone	Gas
Chapita Wells	5,398	Primary	Sandstone	Gas
Buck Canyon	6,057	Primary	Sandstone	Gas
North Horn	6,603	Primary	Sandstone	Gas
KMV Price River	7,026	Primary	Sandstone	Gas
KMV Price River Middle	7,732	Primary	Sandstone	Gas
KMV Price River Lower	8,517	Primary	Sandstone	Gas
Sego	9,050		Sandstone	
TD	9,250			

Estimated TD: 9,250' or 200'± below TD

Anticipated BHP: 5,051 Psig

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

#### 3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig  
BOP schematic diagrams attached.

#### 4. CASING PROGRAM:

CASING	Hole Size	Length	Size	WEIGHT	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	17 1/2"	0 – 45'	13 5/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 1/4"	0 – 2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface – TD	4-1/2"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

Note: 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

**EIGHT POINT PLAN**  
**EAST CHAPITA 88-03**  
**SW/NE, SEC. 3, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**5. Float Equipment:**

**Surface Hole Procedure (0' - 2300'±)**

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5<sup>th</sup> joint to surface. (15 total)

**Production Hole Procedure (2300'± - TD):**

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2<sup>nd</sup> joint.

**6. MUD PROGRAM**

**Surface Hole Procedure (Surface - 2300'±):**

Air/air mist or aerated water.

**Production Hole Procedure (2300'± - TD):** Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

**2300'± - TD** A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

**EIGHT POINT PLAN**  
**EAST CHAPITA 88-03**  
**SW/NE, SEC. 3, T9S, R23E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**7. VARIANCE REQUESTS:**

**Reference:**     **Onshore Oil and Gas Order No. 1**  
                      **Onshore Oil and Gas Order No. 2 – Section E: Special Drilling Operations**

- EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line to be 100' in length. (Where possible, a straight run blooie line will be used).
- EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.
- EOG Resources, Inc. requests a variance to regulations, requiring during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by waster mist.
- EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).
- EOG Resources, Inc. requests a variance that compressors are located in the opposite direction from the blooie line a minimum of 100 feet from the well bore. (Air Compressors are rig mounted).

**8. EVALUATION PROGRAM:**

**Logs:**                     Mud log from base of surface casing to TD.  
**Cased-hole Logs:**     Cased-hole logs will be run in lieu of open-hole logs consisting of the following:  
                                  **Cement Bond / Casing Collar Locator and Pulsed Neutron**

**EIGHT POINT PLAN**  
**EAST CHAPITA 88-03**  
**SW/NE, SEC. 3, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**9. CEMENT PROGRAM:**

**Surface Hole Procedure (Surface - 2300'±):**

**Lead:** 185 sks Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl<sub>2</sub>, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

**Tail:** 207 sks Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Top Out:** As necessary with Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Note:** Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

**Production Hole Procedure (2300'± - TD)**

**Lead:** 140 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail:** 868 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

**Note:** The above number of sacks is based on gauge-hole calculation.  
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.  
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

**Final Cement volumes will be based upon gauge-hole plus 45% excess.**

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 2300'±):**

Lost circulation

**Production Hole (2300'± - TD):**

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

**EIGHT POINT PLAN**  
**EAST CHAPITA 88-03**  
**SW/NE, SEC. 3, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**11. STANDARD REQUIRED EQUIPMENT:**

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

**12. HAZARDOUS CHEMICALS:**

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

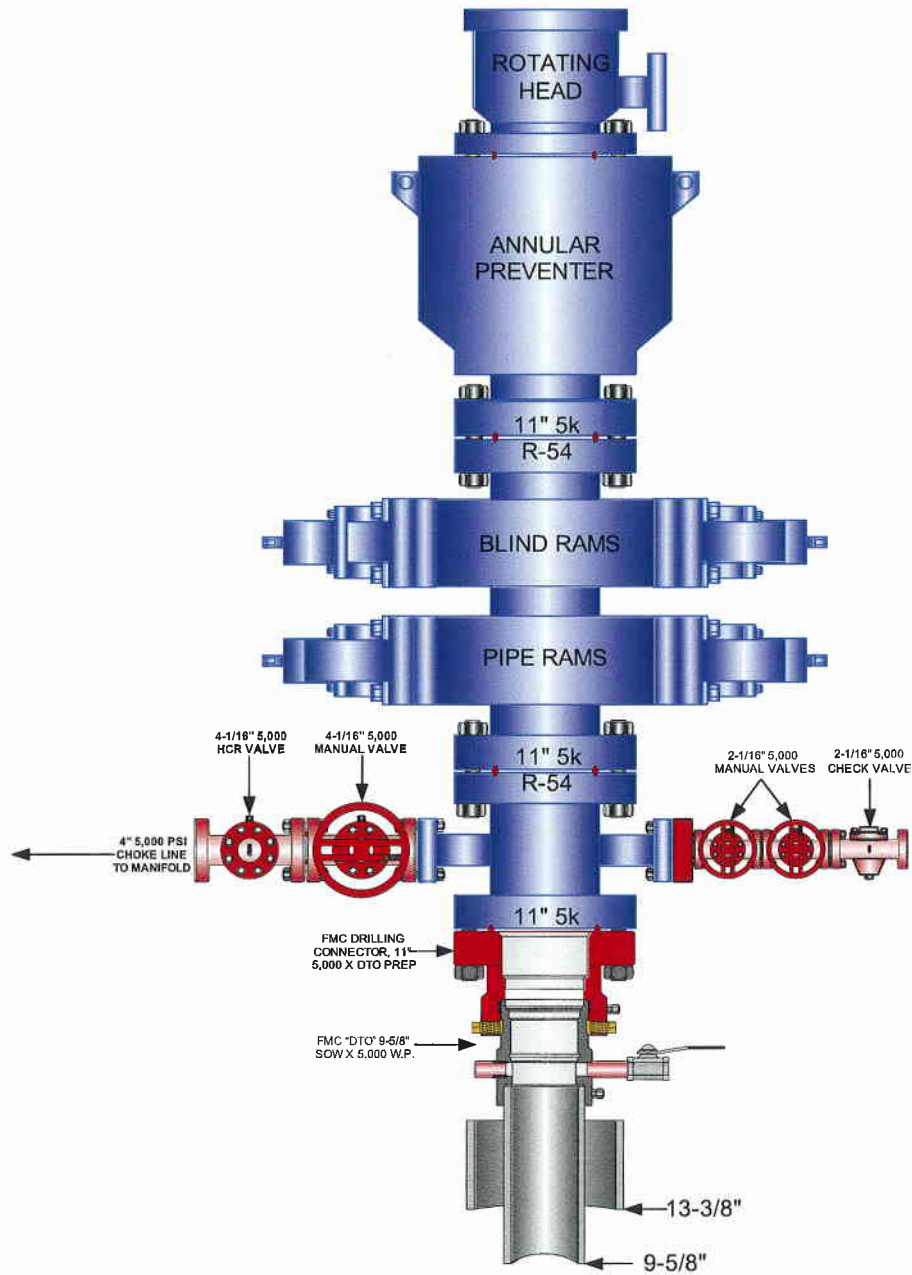
**13. Air Drilling Operations:**

- 1. Main Air Compressors are 1250 CFM 350 psi with 2000 psi Boosters and are rig mounted.
- 2. Secondary Air Compressors are 1170 CFM 350 psi with 2000 psi Boosters and are rig mounted.
- 3. Minimum setting depth of conductor casing will be 60' GL or 10'± into competent formation, whichever is deeper, as determined by the EOG person in charge. Exceptions must be approved by an EOG drilling superintendent or manager.
- 4. The diameter of the diverter flow line will be a minimum of 10" to help reduce back pressure on the well bore during uncontrolled flow.
- 5. Rat and Mouse hole drilling will occur only after surface casing has been set and cemented.
- 6. EOG Resources, Inc. will use a properly maintained and lubricated stripper head.

**(Attachment: BOP Schematic Diagram)**

**EOG RESOURCES 11" 5,000 PSI W.P. BOP  
CONFIGURATION**

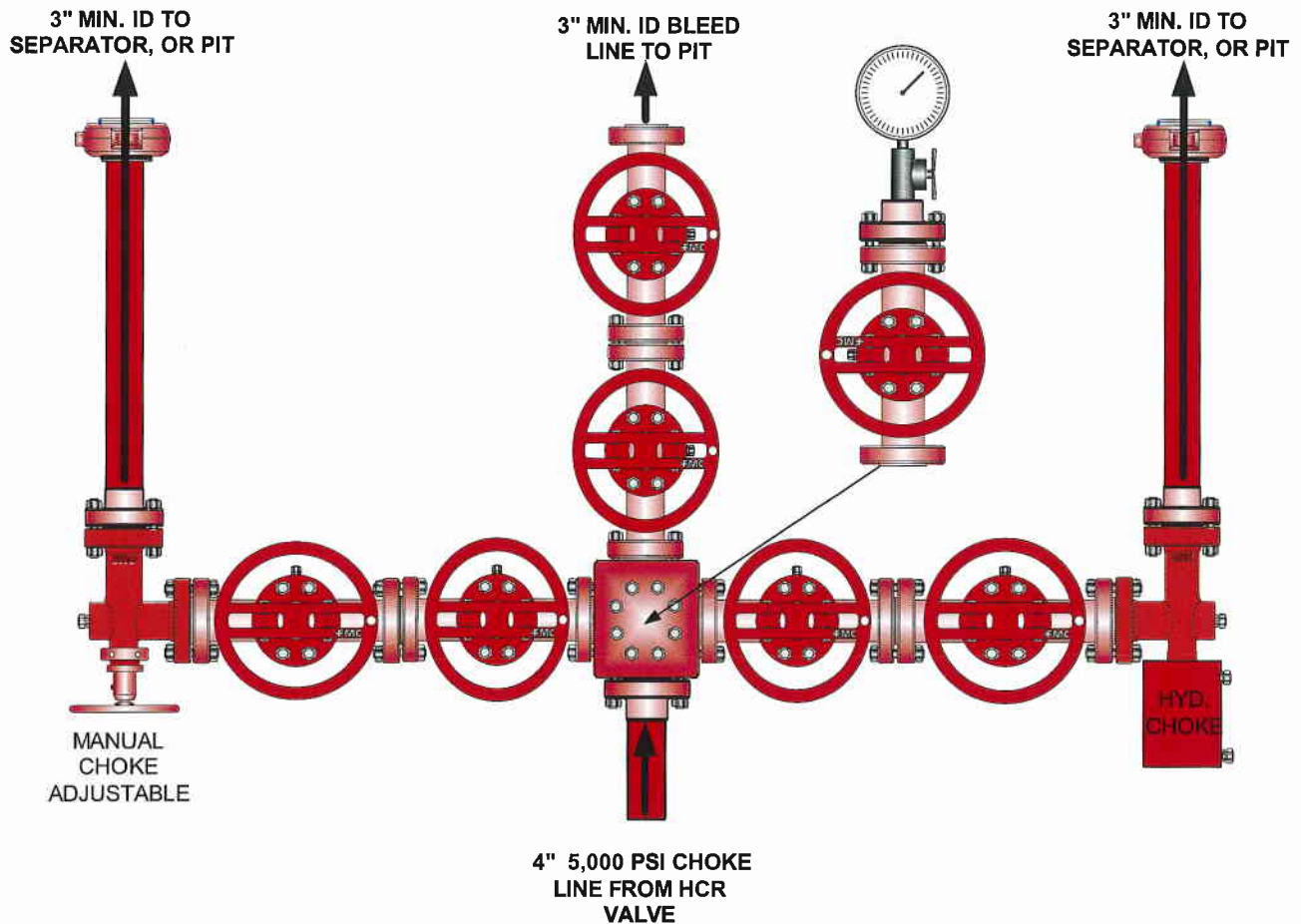
PAGE 1 OF 2





**EOG RESOURCES CHOKE MANIFOLD CONFIGURATION  
W/ 5,000 PSI WP VALVES**

PAGE 2 OF 2



**Testing Procedure:**

1. BOP will be tested with a professional tester to conform to Onshore Order #2.
2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
3. Annular Preventer will be tested to 50% working pressure, 2,500 psi.  
Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength,  
whichever is greater.
4. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
5. All BOPE specifications and configurations will meet Onshore Order #2 requirements.



***East Chapita 88-03  
SWNE, Section 3, T9S, R23E  
Uintah County, Utah***

***SURFACE USE PLAN***

The well pad is approximately 375 feet long with a 266-foot width, containing 2.29 acres more or less. The well access road is approximately 50 feet long with a 30-foot right-of-way, disturbing approximately .03 acre. New surface disturbance associated with the well pad and access road is estimated to be 2.31 acres. The pipeline is approximately 24 feet long with a 40-foot temporary right-of-way and an 8-foot permanent right-of-way disturbing approximately 0.004 acre.

***1. EXISTING ROADS:***

- A. See attached Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 58.2 miles south of Vernal, Utah – See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

***2. PLANNED ACCESS ROAD:***

- A. The access road will be approximately 50' in length; culverts will be installed on an as-needed basis. See attached Topo B.
- B. The access road has a 30-foot ROW w/18 foot running surface.
- C. Maximum grade of the new access road will be 8 percent.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

- I. A 30-foot permanent right-of-way is requested. No surfacing material will be used.
- J. No additional storage areas will be needed for storing equipment, stockpiling, or vehicle parking.

All travel will be confined to existing access road rights-of-way.

New or reconstructed roads will be centerlined – flagged at time of location staking. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction.

The road shall be constructed/upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed, safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30-foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the roadbed block the drainages. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

Traveling off the 30-foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

The entire length of the proposed access road is located within lease and will not require a right-of-way.

### **3. LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS:**

See attached TOPO map "C" for the location of wells within a one-mile radius.

**4. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES:**

**A. On Well Pad**

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400-bbl vertical tanks and associated pipe.
2. Gas gathering lines – A 4" gathering line will be buried from the dehy unit to the edge of the location.

**B. Off Well Pad**

1. Proposed pipeline will transport natural gas.
2. The pipeline will be a permanent feeder line.
3. The length of the proposed pipeline right-of-way is 24' x 8'. The proposed pipeline leaves the north edge of the well pad (Lease UTU01304) proceeding in a northerly direction for an approximate distance of 24' to tying into an existing pipeline in the SWNE of Section 3, T9S, R23E (Lease UTU01304). Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lock, electric weld with a 35 mil X-Tru coating.

The existing pipeline north of the proposed well pad will be re-located to the north of the well pad for an approximate distance of 640'.

4. Proposed pipeline will be a 4" OD steel, zap-lok line laid on the surface
5. Proposed pipeline will be laid on surface.
6. A 8-foot permanent pipeline right-of-way is requested. A 40-foot temporary pipeline right-of-way for construction purposes is requested, the temporary right-of-way will be utilized for a 10-day period.
7. The proposed pipeline route begins in the SWNE of Section 3, Township 9S, Range 23E, proceeding northerly for an approximate distance of 24' to the SWNE of Section 3, Township 9S, Range 23E.
8. Pipeline will be coupled using the Zap lock method. No additional off-pad facilities will be required.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. **All facilities will be painted with Carlsbad Canyon.** Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

**5. LOCATION AND TYPE OF WATER SUPPLY:**

- A. Water supply will be Bonanza Power Plant water source in Sec 26, T8S, R23E, Uintah County, UT (State Water Right # 49-225(A31368)).
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

**6. SOURCE OF CONSTRUCTION MATERIALS:**

- A. All construction material for this pipeline will be of native borrow and soil accumulated during the construction of the location.
- B. No mineral materials will be required.

**7. METHODS OF HANDLING WASTE DISPOSAL:**

**A. METHODS AND LOCATION**

- 1. Cuttings will be confined in the reserve pit.
  - 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
  - 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
  - 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, CWU 550-30N SWD, CWU 2-29 SWD, Red Wash Evaporation ponds 1, 2, 3, 4, 5 or 6, Coyote Evaporation Ponds 1, 2, 3, or 4, Coyote Evaporation Ponds 1 or 2, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
  - 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit, through natural or artificial methods, or removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt, and a 16-millimeter plastic liner. Sufficient bedding (i.e. weed free straw, or hay; felt; polyswell or soil) will be used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the Authorized Officer (A.O.)

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing or completion of the well.

#### **8. ANCILLARY FACILITIES:**

None anticipated.

#### **9. WELL SITE LAYOUT:**

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the southwest corner of the location. The flare pit will be located downwind of the prevailing wind direction on the west side of the location, a minimum of 100 feet from the wellhead and 30 feet from the reserve pit fence.

The stockpiled pit topsoil (first six inches) will be stored separate from the location topsoil northwest of corner #5. The stockpiled location topsoil will be stored in a location providing easy access for interim reclamation and protection of the topsoil. Upon completion of

construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the north.

**FENCING REQUIREMENTS:**

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distances between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

**10. PLANS FOR RECLAMATION OF THE SURFACE:**

**A. Interim Reclamation (Producing Location)**

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be reseeded during interim reclamation. The reserve pit will be reclaimed within 6 months from the date of the well completion, or as soon as weather allows. Before any dirt takes place, the reserve pit must be completely dry and free of all foreign obstacles.

The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

<b>Seed Mixture</b>	<b>Drilled Rate (lbs./acre PLS*)</b>
HyCrest Wheatgrass	5.0
Shadscale	4.0
Prostrate Kochia	3.0

\*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

**B. Dry Hole/Abandoned Location**

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriate surface rehabilitation conditions of approval.

<b>Seed Mixture</b>	<b>Drilled Rate (lbs./acre PLS*)</b>
Gardner Saltbush	4.0
Shadscale	4.0
HyCrest Wheatgrass	4.0

\*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

**11. SURFACE OWNERSHIP:**

Surface ownership of the proposed well site, access road, and pipeline route is as follows:

**Bureau of Land Management**



**12. OTHER INFORMATION:**

A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:

- Whether the materials appear eligible for the National Register of Historic Places;
- The mitigation measures the operator will likely have to undertake before the site can be used.
- A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, EOG Resources, Inc. will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities.
- D. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to

Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

If the existing access road, proposed access road, and proposed pad are dry during construction, drilling, and completion activities, water will be applied to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

A block cultural resources survey was conducted and will be submitted by Montgomery Archaeological Consultants. A paleontological survey was conducted and will be submitted by Intermountain Paleo.

**Additional Surface Stipulations:**

None.

***LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:***

**PERMITTING AGENT**

Kaylene Gardner  
EOG Resources, Inc.  
1060 East Highway 40  
Vernal, UT 84078  
(435) 781-9111

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

The operator or his/her contractor shall contact the BLM office at (435) 781-4400 forty-eight (48) hours prior to construction activities.

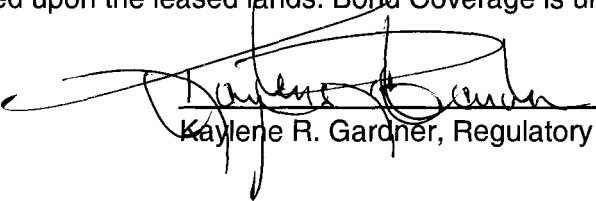
**CERTIFICATION:**

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that EOG Resources, Inc. is considered to be the operator of the East Chapita 88-03 Well, located in the SWNE, of Section 3, T9S, R23E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

January 22, 2008

Date

  
Kaylene R. Gardner, Regulatory Administrator

EOG RESOURCES, INC.  
EAST CHAPITA #88-3  
SECTION 3, T9S, R23E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 4.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 3.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY, THEN NORTHERLY DIRECTION APPROXIMATELY 1.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN RIGHT AND PROCEED IN NORTHERLY DIRECTION APPROXIMATELY 1.6 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTH; FOLLOW ROAD FLAGS IN A SOUTHERLY DIRECTION APPROXIMATELY 50' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 58.2 MILES.

**EOG RESOURCES, INC.**  
**EAST CHAPITA #88-3**  
LOCATED IN UTAH COUNTY, UTAH  
SECTION 3, T9S, R23E, S.L.B.&M.

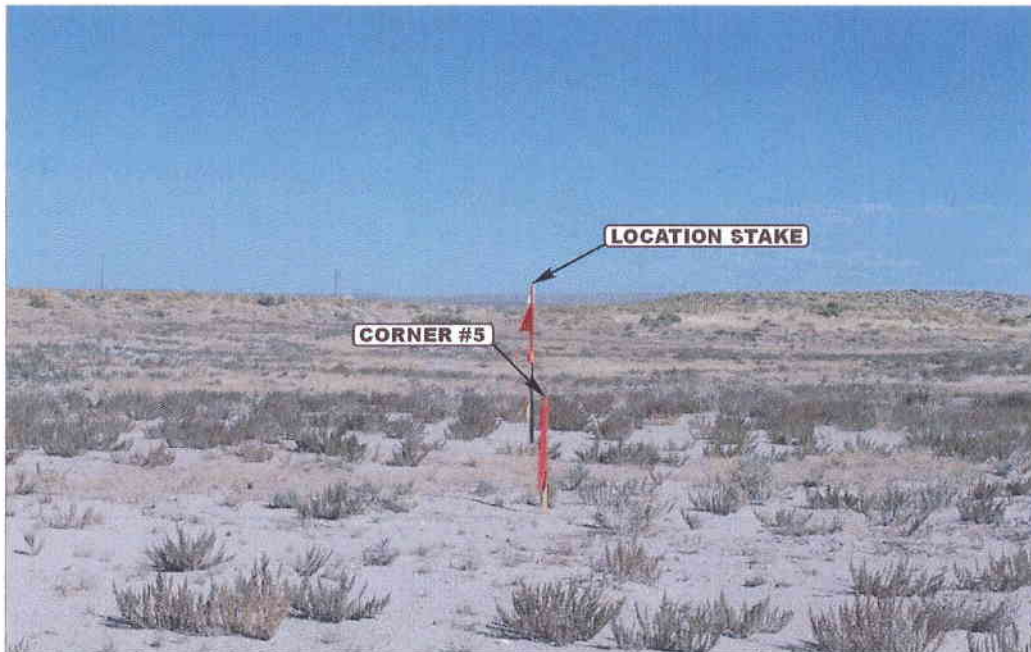


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY

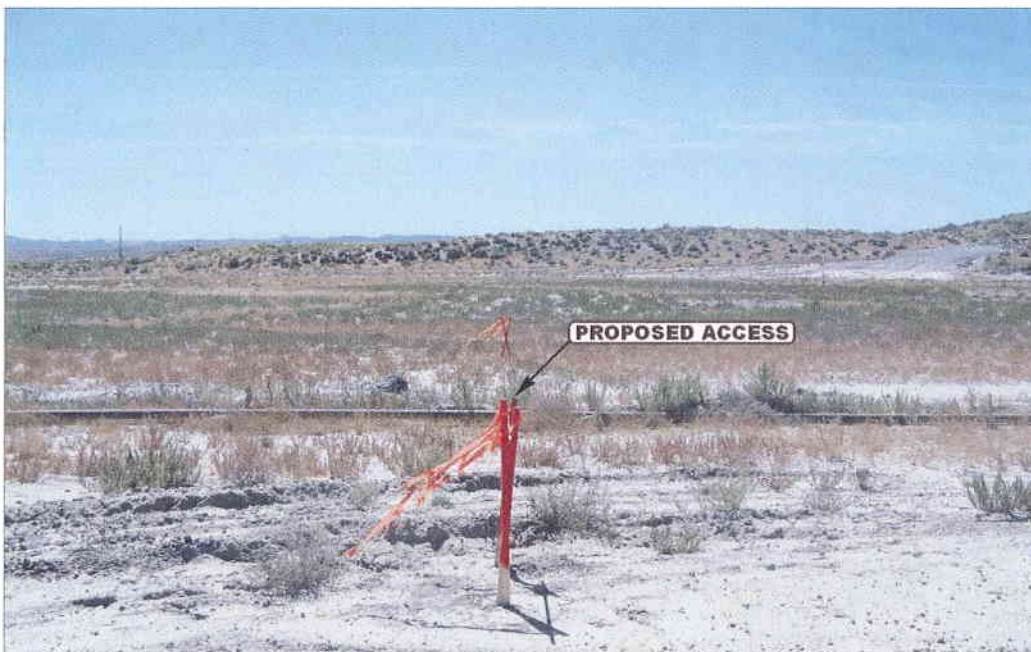


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHERLY



• Since 1964 •



Uintah Engineering & Land Surveying  
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(435) 789-1017 \* FAX (435) 789-1813

**LOCATION PHOTOS**

**09** **18** **08**  
MONTH DAY YEAR

PHOTO

TAKEN BY: T.M.

DRAWN BY: Z.L.

REVISED: 00-00-00

# EOG RESOURCES, INC.

## LOCATION LAYOUT FOR EAST CHAPITA #88-3 SECTION 3, T9S, R23E, S.L.B.&M. 2107' FNL 1995' FEL

FIGURE #1

Existing Buried Pipelines

Existing Surface Pipeline

Existing Powerline

Proposed Access Road

F-0.3'  
El. 4993.5'

Install  
18" CMP

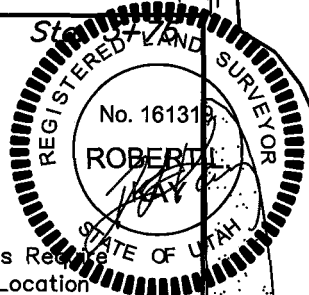
SCALE: 1" = 50'  
DATE: 09-17-08  
Drawn By: C.C.

CONSTRUCT  
DIVERSION  
DITCH

NOTE:  
Flare Pit is to  
be located a min.  
of 100' from the  
Well Head.

Approx.  
Top of  
Cut Slope

NOTE:  
Earthwork Calculations Require  
a Fill of 0.4' @ the Location  
Stake For Balance. All Fill is  
to be Compacted to a  
Minimum of 95% of the  
Maximum Dry Density Obtained  
by AASHTO Method t-99.



Area of Max Disturbance

C-12.9'  
El. 4994.7  
(btm. pit)

Reserve Pit Backfill  
& Spoils Stockpile

15' WIDE BENCH

RESERVE PITS  
(12' Deep)

Total Pit Capacity  
W/2' of Freeboard  
= 14,950 Bbls.±  
Total Pit Volume  
= 4,030 Cu. Yds

1:1 1/2 SLOPE

C-19.0'  
El. 5000.8'  
(btm. pit)

20' WIDE BENCH

C-0.8'  
El. 4994.6'

Elev. Ungraded Ground at Location Stake = 4993.4'  
Elev. Graded Ground at Location Stake = 4993.8'

F-0.1'  
El. 4993.7'

F-0.4'  
El. 4993.4'

RIG DOG HOUSE

150'

Sta. 1+75

F-1.6'  
El. 4992.2'

MUD TANKS

PUMP

MUD SHED

HOPPER

POWER

TOOLS

FUEL

Sta. 0+50

Existing  
Drainage

STORAGE  
TANK

TRASH

F-0.2'  
El. 4993.6'

Sta. 0+00

Reserve Pit Backfill  
& Spoils Stockpile

Approx.  
Toe of  
Fill Slope

F-2.2'  
El. 4991.6'

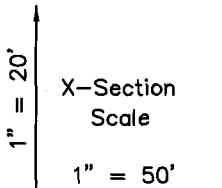
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85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

# EOG RESOURCES, INC.

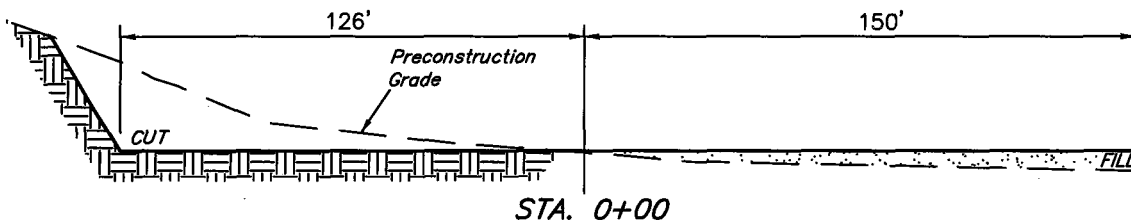
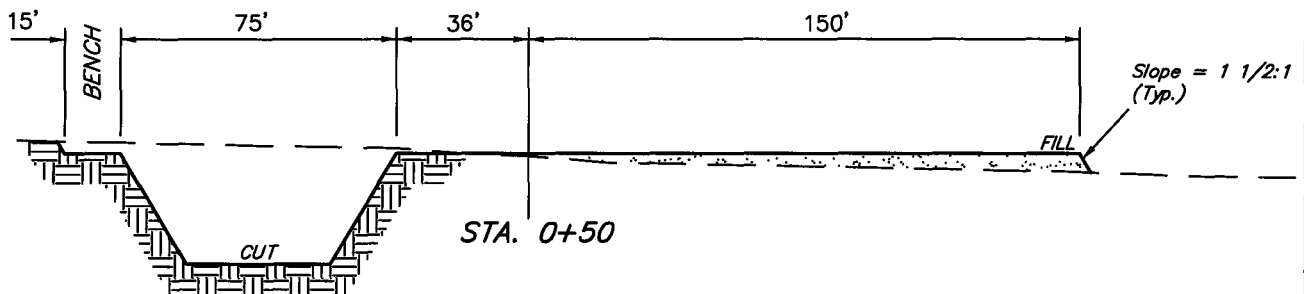
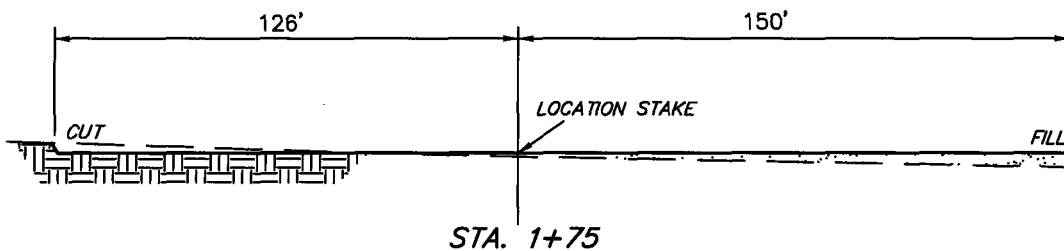
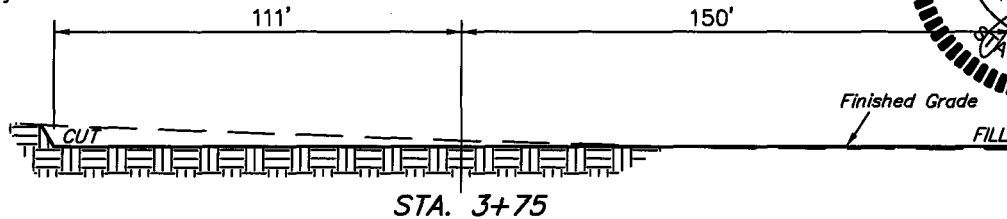
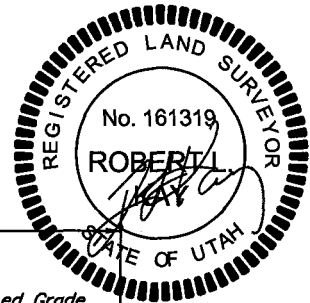
## TYPICAL CROSS SECTIONS FOR

EAST CHAPITA #88-3  
SECTION 3, T9S, R23E, S.L.B.&M.  
2107' FNL 1995' FEL

FIGURE #2



DATE: 09-17-08  
Drawn By: C.C.



### NOTE:

Topsoil should not be  
Stripped Below Finished  
Grade on Substructure Area.

### APPROXIMATE ACREAGES

WELL SITE DISTURBANCE =  $\pm 2.799$  ACRES  
ACCESS ROAD DISTURBANCE =  $\pm 0.036$  ACRES  
PIPELINE DISTURBANCE =  $\pm 0.165$  ACRES  
TOTAL =  $\pm 3.000$  ACRES

### \* NOTE:

FILL QUANTITY INCLUDES  
5% FOR COMPACTION

### APPROXIMATE YARDAGES

(6") Topsoil Stripping = 2,030 Cu. Yds.  
Remaining Location = 5,270 Cu. Yds.  
TOTAL CUT = 7,300 CU.YDS.  
FILL = 3,250 CU.YDS.

EXCESS MATERIAL = 4,050 Cu. Yds.  
Topsoil & Pit Backfill = 4,050 Cu. Yds.  
(1/2 Pit Vol.)  
EXCESS UNBALANCE = 0 Cu. Yds.  
(After Interim Rehabilitation)

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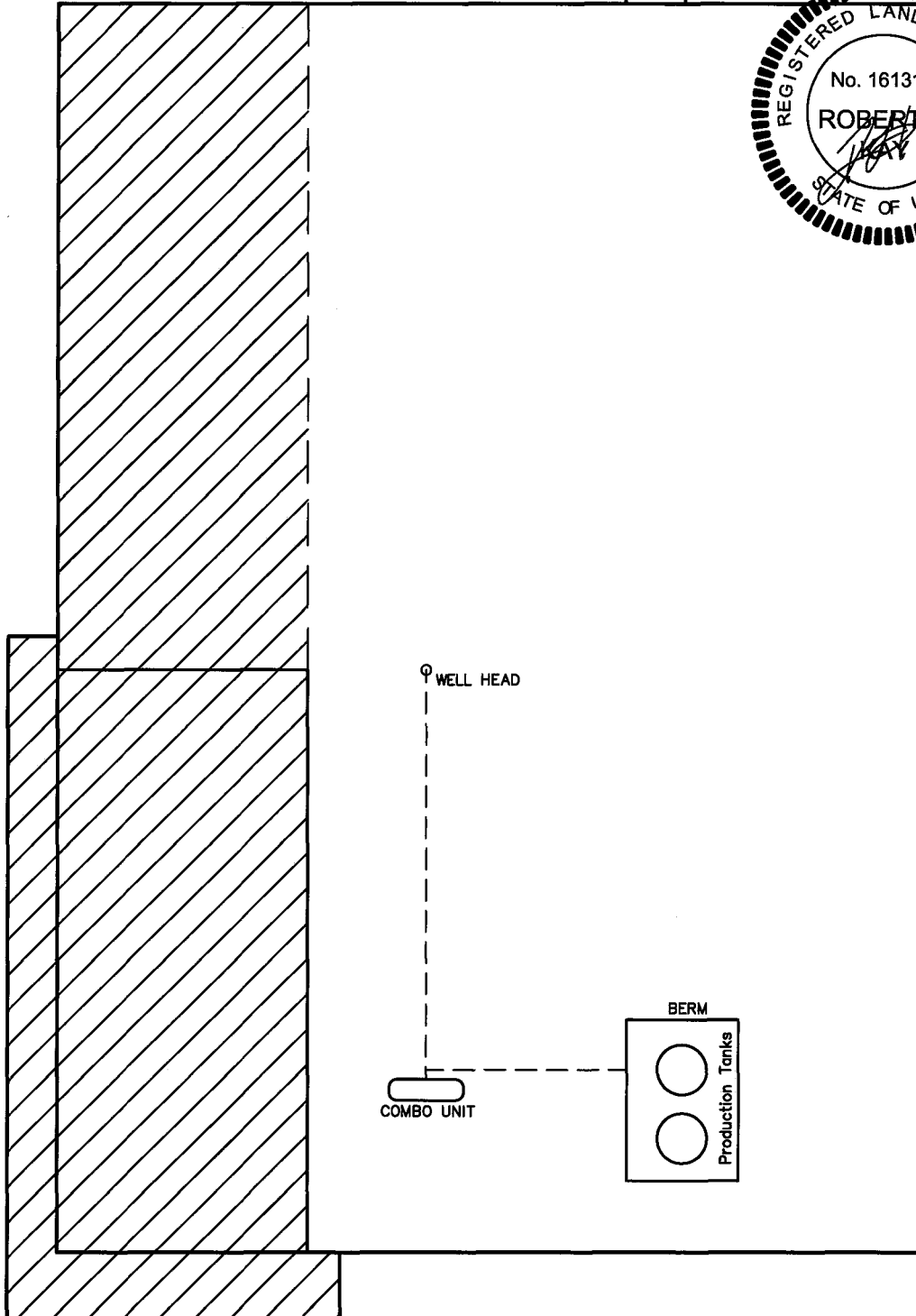
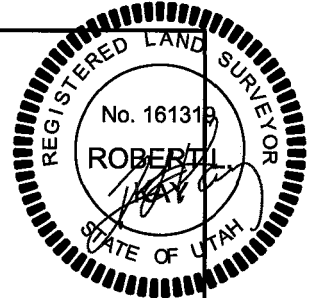
EOG RESOURCES, INC.  
PRODUCTION FACILITY LAYOUT FOR  
EAST CHAPITA #88-3  
SECTION 3, T9S, R23E, S.L.B.&M.  
2107' FNL 1995' FEL


FIGURE #3



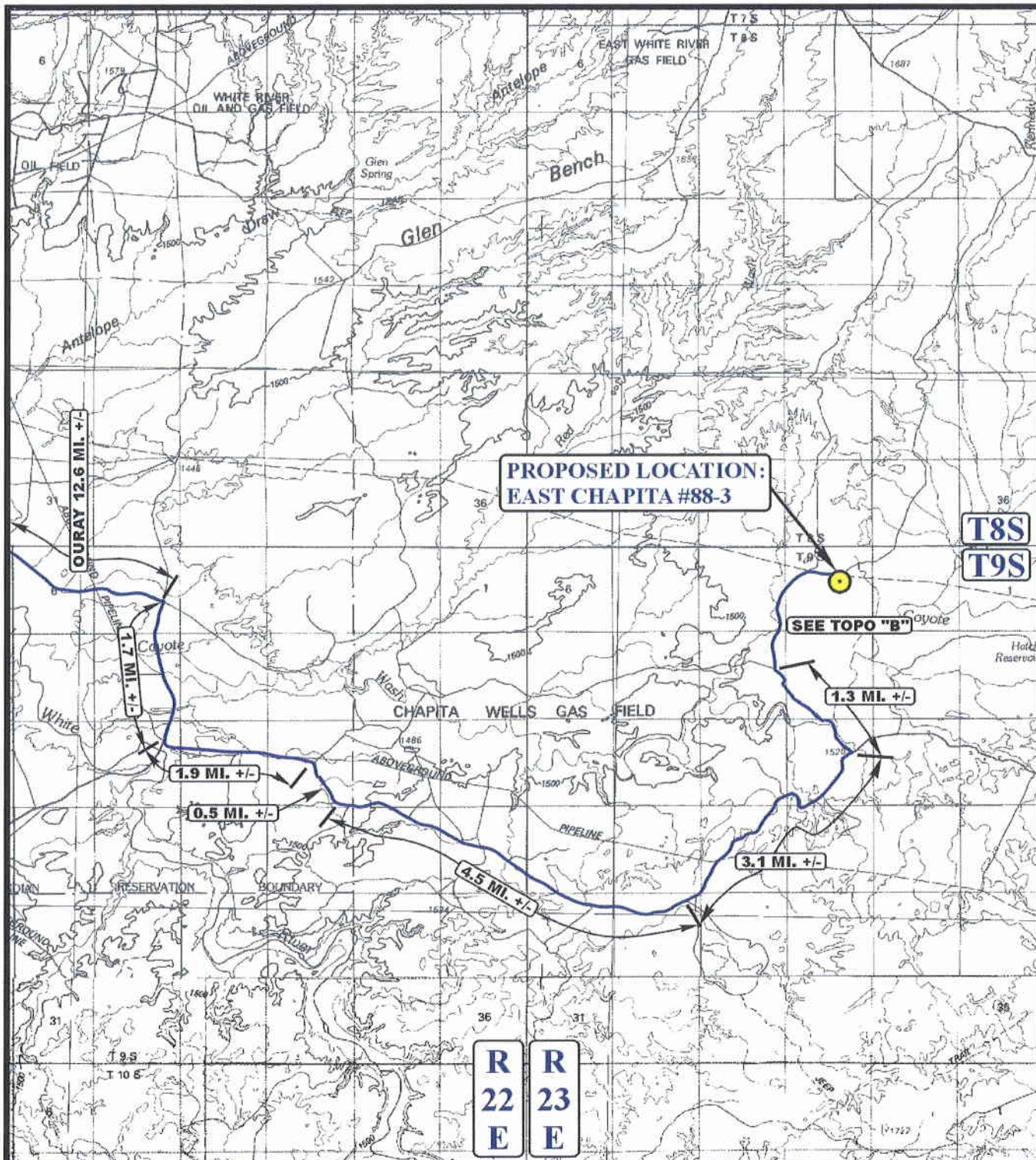
SCALE: 1" = 50'  
DATE: 09-17-08  
Drawn By: C.C.

Access  
Road



 RE-HABED AREA

UINTAH ENGINEERING & LAND SURVEYING  
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# **LEGEND:**

PROPOSED LOCATION

## **EOG RESOURCES, INC.**

**EAST CHAPITA #88-3  
SECTION 3, T9S, R23E, S.L.B.&M.  
2107' FNL 1995' FEL**

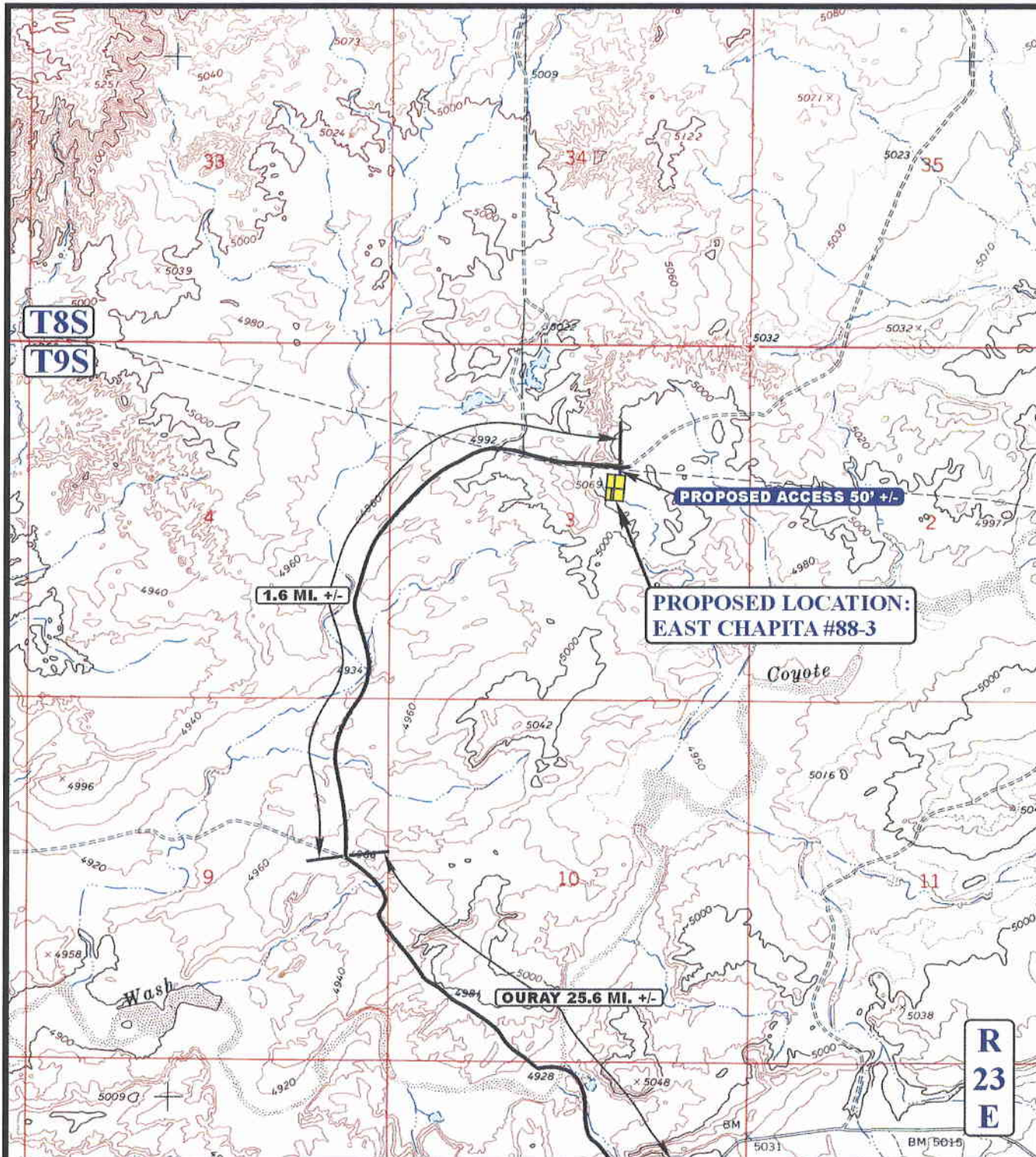
**U**  
**E**  
**S**

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**TOPOGRAPHIC** **09** **18** **08**  
**MAP** **MONTH** **DAY** **YEAR**  
**SCALE: 1:100,000** **DRAWN BY: Z.L.** **REVISED: 00-00-00**

**A**  
**TOPO**





# **LEGEND:**

— EXISTING ROAD  
 - - - PROPOSED ACCESS ROAD

**EOG RESOURCES, INC.**

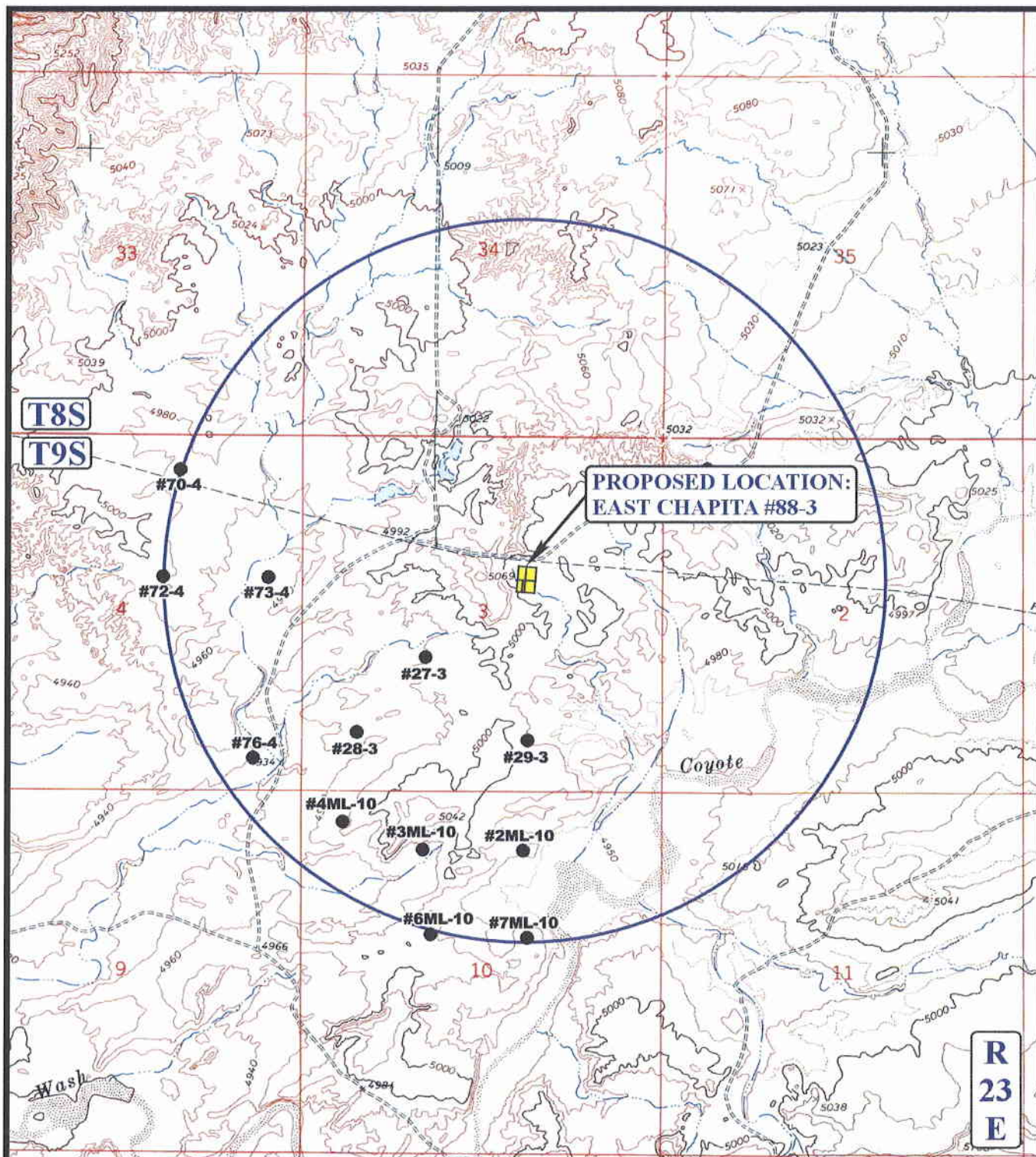
**EAST CHAPITA #88-3**  
**SECTION 3, T9S, R23E, S.L.B.&M.**  
**2107' FNL 1995' FEL**

**U**  
**E**  
**L**  
**S**  
**Uintah Engineering & Land Surveying**  
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**(435) 789-1017 \* FAX (435) 789-1813**

**TOPOGRAPHIC**  
**MAP**  
**09 18 08**  
 MONTH DAY YEAR  
**SCALE: 1" = 2000'** **DRAWN BY: Z.L.** **REVISED: 00-00-00**

**B**  
**TOPO**





# **LEGEND:**

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

**N**

**EOG RESOURCES, INC.**

**EAST CHAPITA #88-3**  
**SECTION 3, T9S, R23E, S.L.B.&M.**  
**2107' FNL 1995' FEL**



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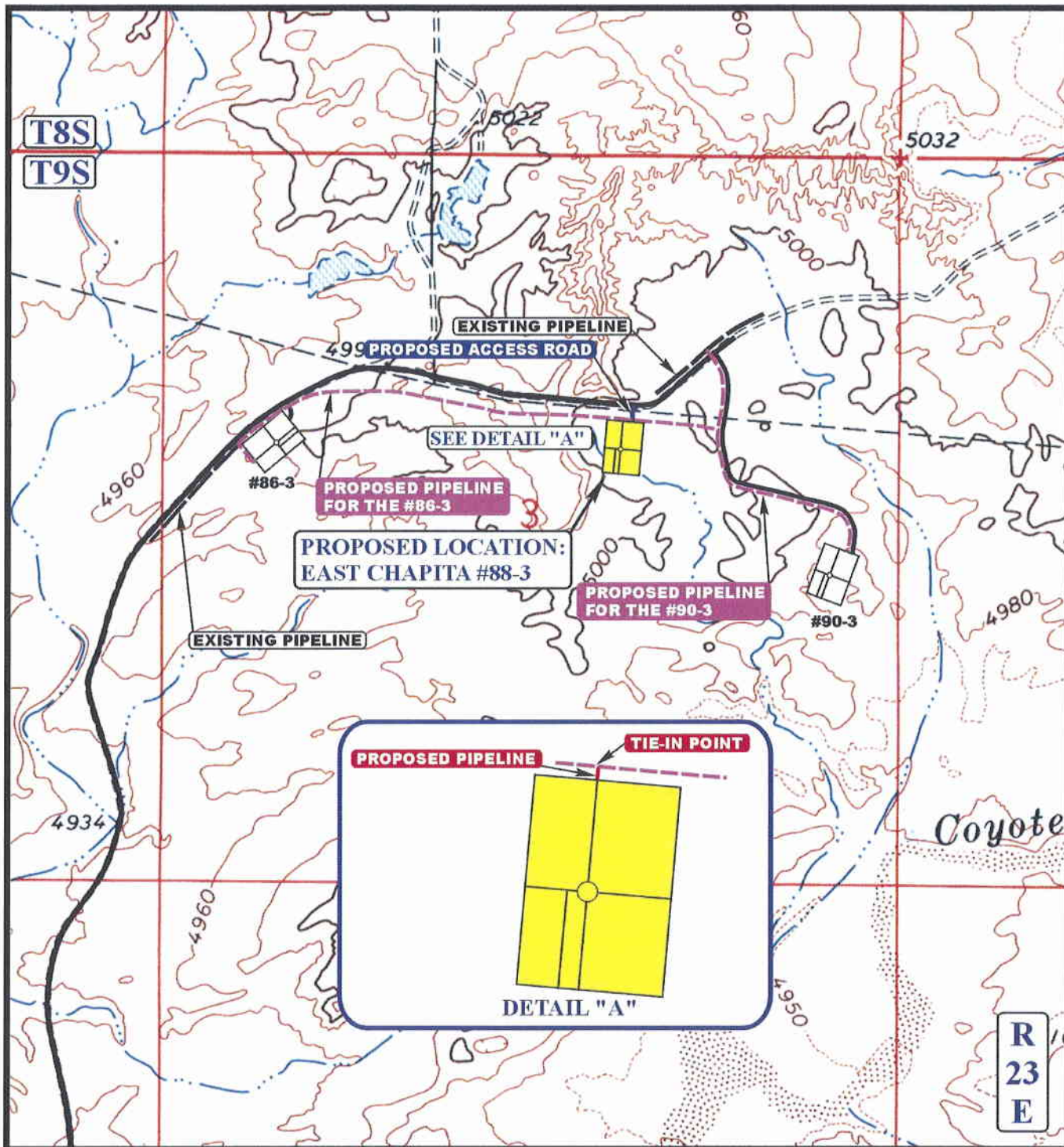
**TOPOGRAPHIC**  
**MAP**

**09 18 08**  
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: Z.L. REVISED: 00-00-00







**APPROXIMATE TOTAL PIPELINE DISTANCE = 24' +/-**

**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE
- PROPOSED PIPELINE (SERVICING OTHER WELLS)

**N**

**EOG RESOURCES, INC.**

**EAST CHAPITA #88-3**  
**SECTION 3, T9S, R23E, S.L.B.&M.**  
**2107' FNL 1995' FEL**



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**TOPOGRAPHIC MAP**

**SCALE: 1" = 1000'** **DRAWN BY: Z.L.** **REvised: 00-00-00**

**D**  
**TOPO**

**WORKSHEET**  
**APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 01/28/2009

API NO. ASSIGNED: 43-047-40512

WELL NAME: E CHAPITA 88-03

OPERATOR: EOG RESOURCES, INC. ( N9550 )

CONTACT: KAYLENE GARDNER

PHONE NUMBER: 435-781-9111

PROPOSED LOCATION:

SWNE 03 090S 230E

SURFACE: 2107 FNL 1995 FEL

BOTTOM: 2107 FNL 1995 FEL

COUNTY: UINTAH

LATITUDE: 40.06619 LONGITUDE: -109.3101

UTM SURF EASTINGS: 644115 NORTHINGS: 4436262

FIELD NAME: NATURAL BUTTES ( 630 )

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU01304

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: SEGO

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat  
☒ Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. NM 2308 )  
☒ Potash (Y/N)  
☒ Oil Shale 190-5 (B) or 190-3 or 190-13  
☒ Water Permit  
(No. 49-225 )  
☒ RDCC Review (Y/N)  
(Date: )  
☒ Fee Surf Agreement (Y/N)  
☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

\_\_\_ R649-2-3.  
Unit: \_\_\_\_\_  
\_\_\_ R649-3-2. General  
Siting: 460' From Qtr/Qtr & 920' Between Wells  
\_\_\_ R649-3-3. Exception  
☒ Drilling Unit  
Board Cause No: 179-15  
Eff Date: 7-17-2008  
Siting: 400' from lease boundary  
\_\_\_ R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS:

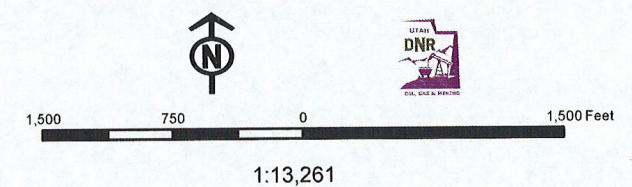
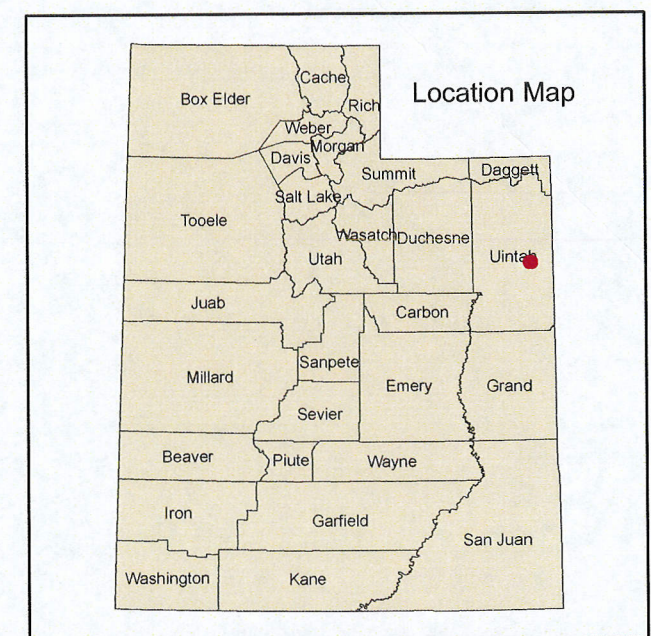
1- Federal Approval



API Number: 4304740512  
Well Name: E CHAPITA 88-03  
Township 09.0 S Range 23.0 E Section 03  
Meridian: SLBM  
Operator: EOG RESOURCES, INC.

Map Prepared:  
Map Produced by Diana Mason

- | Units        | Wells Query Events   |
|--------------|----------------------|
| STATUS       | ✕ <all other values> |
| ACTIVE       | GIS_STAT_TYPE        |
| EXPLORATORY  | <Null>               |
| GAS STORAGE  | APD                  |
| NF PP OIL    | DRL                  |
| NF SECONDARY | GI                   |
| PI OIL       | GS                   |
| PP GAS       | LA                   |
| PP GEOTHERML | NEW                  |
| PP OIL       | OPS                  |
| SECONDARY    | PA                   |
| TERMINATED   | PGW                  |
| Fields       | POW                  |
| STATUS       | RET                  |
| ACTIVE       | SGW                  |
| COMBINED     | SOW                  |
| Sections     | TA                   |
|              | TW                   |
|              | WD                   |
|              | WI                   |
|              | WS                   |







JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

January 29, 2009

EOG Resources, Inc.  
1060 East Highway 40  
Vernal, UT 84078

Re: East Chapita 88-03 Well, 2107' FNL, 1995' FEL, SW NE, Sec. 3, T. 9 South, R. 23 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-40512.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

cc: Uintah County Assessor  
Bureau of Land Management, Vernal Office





Operator: EOG Resources, Inc.  
Well Name & Number East Chapita 88-03  
API Number: 43-047-40512  
Lease: UTU01304

Location: SW NE                      Sec. 3                      T. 9 South                      R. 23 East

### Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division with 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dustin Doucet at (801) 538-5281 office      (801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

JAN 22 2009

FORM APPROVED  
OMB No. 1004-0136  
Expires July 31, 2010

APPLICATION FOR PERMIT TO DRILL OR REENTER **BLM**

1a. Type of Work: <input type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU01304
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES INC		7. If Unit or CA Agreement, Name and No.
Contact: KAYLENE R GARDNER E-Mail: KAYLENE_GARDNER@EOGRESOURCES.COM		8. Lease Name and Well No. EAST CHAPITA 88-03
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 435-781-9111	9. API Well No. 43-047-40512
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SWNE 2107FNL 1995FEL 40.06617 N Lat, 109.31089 W Lon At proposed prod. zone SWNE 2107FNL 1995FEL 40.06617 N Lat, 109.31089 W Lon		10. Field and Pool, or Exploratory NATURAL BUTTES
14. Distance in miles and direction from nearest town or post office* 58.2 MILES SOUTH OF VERNAL		11. Sec., T., R., M., or Blk. and Survey or Area Sec 3 T9S R23E Mer SLB SME: BLM
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1995	16. No. of Acres in Lease 2451.31	12. County or Parish UINTAH
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 1840	19. Proposed Depth 9250 MD	13. State UT
21. Elevations (Show whether DF, KB, RT, GL, etc.) 4993 GL	22. Approximate date work will start	17. Spacing Unit dedicated to this well
23. Estimated duration 45-DAYS		20. BLM/BIA Bond No. on file NM2308

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- |   |  |
|---|--|
| 1. Well plat certified by a registered surveyor.  | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).    |
| 2. A Drilling Plan.   | 5. Operator certification  |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature (Electronic Submission)	Name (Printed/Typed) KAYLENE R GARDNER Ph: 435-781-9111	Date 01/22/2009
Title LEAD REGULATORY ASSISTANT		
Approved by (Signature)	Name (Printed/Typed) JERRY KENNEDY	Date AUG 24 2009
Title Assistant Field Manager Lands & Mineral Resources	Office VERNAL FIELD OFFICE	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

RECEIVED

SEP 15 2009

Additional Operator Remarks (see next page)

Electronic Submission #66574 verified by the BLM Well Information System  
For EOG RESOURCES INC, sent to the Vernal  
Committed to AFMSS for processing by GAIL JENKINS on 01/23/2009 (09GXJ2186AE)

DIV. OF OIL, GAS & MINING

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED

\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\*

086XJ6604 AE NOS: 09-26-2008

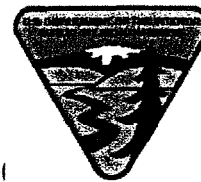


UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
VERNAL FIELD OFFICE

170 South 500 East

VERNAL, UT 84078

(435) 781-4401



**CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL**

Company: EOG Resources Inc.  
Well No: East Chapita 88-03  
API No: 43-047-40512

Location: SWNE, Sec.3, T9S R23E  
Lease No: UTU-01304  
Agreement: N/A

**OFFICE NUMBER: (435) 781-4400**

**OFFICE FAX NUMBER: (435) 781-3420**

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR  
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit was processed using a 390 CX tied to NEPA approved 03/31/2008. Therefore, this permit is approved for a two (2) year period OR until lease expiration OR the well must be spud by 03/31/2013 (5 years from the NEPA approval date), whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

**NOTIFICATION REQUIREMENTS**

Location Construction (Notify Environmental Scientist)	- Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	- Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	- Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	- Twenty-Four (24) hours prior to running casing and cementing all casing strings to: <a href="mailto:ut_vn_opreport@blm.gov">ut_vn_opreport@blm.gov</a> .
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	- Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	- Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

**SURFACE USE PROGRAM  
CONDITIONS OF APPROVAL (COAs)**

- All new and replacement internal combustion gas field engines of less than or equal to 300 design-rated horsepower must not emit more than 2 gms of NO<sub>x</sub> per horsepower-hour. This requirement does not apply to gas field engines of less than or equal to 40 design-rated horsepower.
- All and replacement internal combustion gas field engines of greater than 300 design rated horsepower must not emit more than 1.0 gms of NO<sub>x</sub> per horsepower-hour.
- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

**SITE SPECIFIC CONDITIONS OF APPROVAL**

- Prevent fill and stock piles from entering drainages.
- The access road shall be crowned and ditched. Flat-bladed roads are not allowed.
- The authorized officer may prohibit surface disturbing activities during severe winter, wet, or muddy conditions to minimize watershed damage. This limitation does not apply to operation and maintenance of producing wells.
- If additional erosion occurs during the life of this project, more culverts, low water crossings, berms, wing ditches, or gravel (from a private or commercial source) etc. shall be needed to control the erosion. Low-water crossings and culverts shall be appropriately constructed to avoid sedimentation of drainage ways and other water resources.
- Bury pipelines at all low water crossings.
- Surface pipelines will be placed 5-10 feet outside of the borrow area.
- Surface pipelines will be placed in such a way that they would not wander into the borrow area.
- Pipelines will be buried at all major road and drainage crossings
- The pit liner is to be cut 5 feet below ground surface or at the level of the cuttings, whichever is deeper, and the excess liner material is to be disposed of at an authorized disposal site.

**DOWNHOLE PROGRAM  
CONDITIONS OF APPROVAL (COAs)**

**SITE SPECIFIC DOWNHOLE COAs:**

- The production casing cement shall extend a minimum of 200 feet above the surface casing shoe.
- A formation integrity test shall be performed at the surface casing shoe.
- Gamma Ray Log shall be run from Total Depth to Surface.

**Variances Granted:**

- Dust suppression equipment. Variance granted for water mist system to substitute for the dust suppression equipment.
- Blooie line discharge 100' from the well bore, variance granted for blooie line discharge to be 75' from the well bore.
- Compressors located in the opposite direction from the blooie line a minimum of 100' from the well bore. Variance granted for truck/trailer mounted air compressors.
- Straight run blooie line. Variance granted for targeted "T's" at bends.
- Automatic igniter. Variance for igniter due to water mist.

**All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:**

**DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS**

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.

- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT\_VN\_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

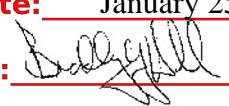
## OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - Operator name, address, and telephone number.
  - Well name and number.
  - Well location (¼¼, Sec., Twn, Rng, and P.M.).
  - Date well was placed in a producing status (date of first production for which royalty will be paid).
  - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - Unit agreement and/or participating area name and number, if applicable.
  - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4.

Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.



<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>			
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU01304			
<b>1. TYPE OF WELL</b> Gas Well		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>			
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.		<b>7. UNIT or CA AGREEMENT NAME:</b>			
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40, Vernal, UT, 84078		<b>8. WELL NAME and NUMBER:</b> E CHAPITA 88-03			
<b>4. LOCATION OF WELL FOOTAGES AT SURFACE:</b> 2107 FNL 1995 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWNE Section: 03 Township: 09.0S Range: 23.0E Meridian: S		<b>9. API NUMBER:</b> 43047405120000			
<b>PHONE NUMBER:</b> 435 781-9111 Ext		<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES			
<b>COUNTY:</b> UTAH		<b>STATE:</b> UTAH			
<b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>					
<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>				
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 1/20/2010  <input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:  <input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:  <input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ACIDIZE  <input type="checkbox"/> CHANGE TO PREVIOUS PLANS  <input type="checkbox"/> CHANGE WELL STATUS  <input type="checkbox"/> DEEPEN  <input type="checkbox"/> OPERATOR CHANGE  <input type="checkbox"/> PRODUCTION START OR RESUME  <input type="checkbox"/> REPERFORATE CURRENT FORMATION  <input type="checkbox"/> TUBING REPAIR  <input type="checkbox"/> WATER SHUTOFF  <input type="checkbox"/> WILDCAT WELL DETERMINATION         </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ALTER CASING  <input type="checkbox"/> CHANGE TUBING  <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS  <input type="checkbox"/> FRACTURE TREAT  <input type="checkbox"/> PLUG AND ABANDON  <input type="checkbox"/> RECLAMATION OF WELL SITE  <input type="checkbox"/> SIDETRACK TO REPAIR WELL  <input type="checkbox"/> VENT OR FLARE  <input type="checkbox"/> SI TA STATUS EXTENSION  <input type="checkbox"/> OTHER         </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> CASING REPAIR  <input type="checkbox"/> CHANGE WELL NAME  <input type="checkbox"/> CONVERT WELL TYPE  <input type="checkbox"/> NEW CONSTRUCTION  <input type="checkbox"/> PLUG BACK  <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION  <input type="checkbox"/> TEMPORARY ABANDON  <input type="checkbox"/> WATER DISPOSAL  <input checked="" type="checkbox"/> APD EXTENSION          OTHER:       </td> </tr> </table>		<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER:
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<b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b> EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.					
<b>Approved by the Utah Division of Oil, Gas and Mining</b>  <b>Date:</b> January 25, 2010 <b>By:</b> 					
<b>NAME (PLEASE PRINT)</b> Mckenzie Gates		<b>PHONE NUMBER</b> 435 781-9145			
<b>SIGNATURE</b> N/A		<b>TITLE</b> Operations Clerk			
<b>DATE</b> 1/20/2010					



## The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

### Request for Permit Extension Validation Well Number 43047405120000

**API:** 43047405120000

**Well Name:** E CHAPITA 88-03

**Location:** 2107 FNL 1995 FEL QTR SWNE SEC 03 TWP 090S RNG 230E MER S

**Company Permit Issued to:** EOG RESOURCES, INC.

**Date Original Permit Issued:** 1/29/2009

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☐ Yes ☒ No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ☐ Yes ☒ No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? ☐ Yes ☒ No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ☐ Yes ☒ No
- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

**Approved by the  
Utah Division of  
Oil, Gas and Mining**

**Signature:** Mickenzie Gates

**Date:** 1/20/2010

**Title:** Operations Clerk **Representing:** EOG RESOURCES, INC.

**Date:** January 25, 2010

**By:**

**RECEIVED** January 20, 2010

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU01304
<b>1. TYPE OF WELL</b> Gas Well		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.		<b>7. UNIT or CA AGREEMENT NAME:</b>
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40, Vernal, UT, 84078		<b>8. WELL NAME and NUMBER:</b> E CHAPITA 88-03
<b>4. LOCATION OF WELL FOOTAGES AT SURFACE:</b> 2107 FNL 1995 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWNE Section: 03 Township: 09.0S Range: 23.0E Meridian: S		<b>9. API NUMBER:</b> 43047405120000
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<b>COUNTY:</b> UTAH		<b>STATE:</b> UTAH
<b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>		
<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>	
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 6/10/2010  <input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:  <input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:  <input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> ACIDIZE  <input type="checkbox"/> CHANGE TO PREVIOUS PLANS  <input type="checkbox"/> CHANGE WELL STATUS  <input type="checkbox"/> DEEPEN  <input type="checkbox"/> OPERATOR CHANGE  <input type="checkbox"/> PRODUCTION START OR RESUME  <input type="checkbox"/> REPERFORATE CURRENT FORMATION  <input type="checkbox"/> TUBING REPAIR  <input type="checkbox"/> WATER SHUTOFF  <input type="checkbox"/> WILDCAT WELL DETERMINATION         </div> <div style="width: 33%;"> <input type="checkbox"/> ALTER CASING  <input type="checkbox"/> CHANGE TUBING  <input checked="" type="checkbox"/> COMMINGLE PRODUCING FORMATIONS  <input type="checkbox"/> FRACTURE TREAT  <input type="checkbox"/> PLUG AND ABANDON  <input type="checkbox"/> RECLAMATION OF WELL SITE  <input type="checkbox"/> SIDETRACK TO REPAIR WELL  <input type="checkbox"/> VENT OR FLARE  <input type="checkbox"/> SI TA STATUS EXTENSION  <input type="checkbox"/> OTHER         </div> <div style="width: 33%;"> <input type="checkbox"/> CASING REPAIR  <input type="checkbox"/> CHANGE WELL NAME  <input type="checkbox"/> CONVERT WELL TYPE  <input type="checkbox"/> NEW CONSTRUCTION  <input type="checkbox"/> PLUG BACK  <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION  <input type="checkbox"/> TEMPORARY ABANDON  <input type="checkbox"/> WATER DISPOSAL  <input type="checkbox"/> APD EXTENSION            OTHER:         </div> </div>	
<b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b> EOG Resources, Inc. requests authorization for commingling of production from the Wasatch and Mesaverde formations in the referenced wellbore. In the event allocation of production is necessary, the allocation will be based on proportionate net pay as calculated from cased-hole logs. Production from the Wasatch and Mesaverde formations will be commingled in the wellbore and produced through open-ended 2-3/8" tubing landed below all perforations in the 4-1/2" production casing. Attached is a map showing the location of all wells on contiguous oil and gas leases or drilling units and an affidavit showing that this application has been provided to owners of all contiguous oil and gas leases or drilling units overlying the pool.		
<b>NAME (PLEASE PRINT)</b> Nanette Lupcho		<b>PHONE NUMBER</b> 435 781-9157
<b>SIGNATURE</b> N/A		<b>TITLE</b> Regulatory Assistant
<b>DATE</b> 6/10/2010		<b>Accepted by the Utah Division of Oil, Gas and Mining</b> Date: <u>July 01, 2010</u> By: <u>[Signature]</u>



**The Utah Division of Oil, Gas, and Mining**

- State of Utah
- Department of Natural Resources

**Electronic Permitting System - Sundry Notices**

**Sundry Conditions of Approval Well Number 43047405120000**

**Board Cause No. 179-15**

**Accepted by the  
Utah Division of  
Oil, Gas and Mining**

**Date:** July 01, 2010  
**By:** Dan K. Quist

STATE OF UTAH )

) ss

COUNTY OF UINTAH )

VERIFICATION

Nanette Lupcho, of lawful age, being first duly sworn upon oath, deposes and says:

She is the Regulatory Assistant for EOG Resources, Inc., of Vernal, Utah. EOG Resources, Inc. is the operator of the following described well:

**E CHAPITA 88-03  
2107' FNL – 1995' FEL (SWNE)  
SECTION 3, T9S, R23E  
UINTAH COUNTY, UTAH**

EOG Resources, Inc., is the only owner in the well and/or of all contiguous oil and gas leases or drilling units overlying the pool.

On the 8<sup>th</sup> day of June, 2010 she placed in the United States mail, with postage prepaid, a copy of the attached Application for Commingling in one wellbore for the subject well.

Said envelope which contained these instruments was addressed to the Utah Division of Oil, Gas & Mining, and Bureau of Land Management.

Further affiant saith not.



Nanette Lupcho  
Regulatory Assistant

Subscribed and sworn before me this 8<sup>th</sup> day of June, 2010.



Notary Public

My Commission Expires: April 18 2012



RECEIVED June 10, 2010

R 23 E

T 9 S

ECW 88-3



3

ECW 27-3



U-01304

 EAST CHAPITA 88-3

Scale: 1" = 1000'

0 1/4 1/2 Mile



**eog resources**

Denver Division

**EXHIBIT "A"**

EAST CHAPITA 88-3  
Commingling Application  
Uintah County, Utah

Scale: 1" = 1000'

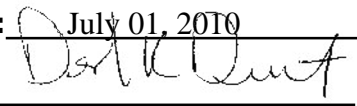
D:\uash\Commingled1  
EC88-3\_commingled.dwg  
WELL

Author

TLM

Jan 28, 2009 -  
9:44am

**RECEIVED** June 10, 2010

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>			
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU01304			
<b>1. TYPE OF WELL</b> Gas Well		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>			
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.		<b>7. UNIT or CA AGREEMENT NAME:</b>			
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40, Vernal, UT, 84078		<b>8. WELL NAME and NUMBER:</b> E CHAPITA 88-03			
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 2107 FNL 1995 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWNE Section: 03 Township: 09.0S Range: 23.0E Meridian: S		<b>9. API NUMBER:</b> 43047405120000			
<b>PHONE NUMBER:</b> 435 781-9111 Ext		<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES			
<b>COUNTY:</b> UTAH		<b>STATE:</b> UTAH			
<b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>					
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<b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b> EOG Resources, Inc. respectfully requests authorization to change the Drilling Plan as per the attached. Conductor size: Item 4 Float Equipment: Item 5 Logs: Item 8 Please see the attached revised Drilling Plan reflecting the purposed changes.					
<b>Accepted by the Utah Division of Oil, Gas and Mining</b>		<b>Date:</b> July 01, 2010 <b>By:</b> 			
<b>NAME (PLEASE PRINT)</b> Mickenzie Gates		<b>PHONE NUMBER</b> 435 781-9145			
<b>SIGNATURE</b> N/A		<b>TITLE</b> Operations Clerk			
<b>DATE</b> 6/30/2010					

**EIGHT POINT PLAN**

**EAST CHAPITA 88-03**

**SW/NE, SEC. 3, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:**

<b>FORMATION</b>	<b>TVD-RKB (ft)</b>	<b>Objective</b>	<b>Lithology</b>	
Green River	1,955		Shale	
Mahogany Oil Bed Shale	2,596		Shale	
Wasatch	4,811	Primary	Sandstone	Gas
Chapita Wells	5,398	Primary	Sandstone	Gas
Buck Canyon	6,057	Primary	Sandstone	Gas
North Horn	6,603	Primary	Sandstone	Gas
KMV Price River	7,026	Primary	Sandstone	Gas
KMV Price River Middle	7,732	Primary	Sandstone	Gas
KMV Price River Lower	8,517	Primary	Sandstone	Gas
Sego	9,050		Sandstone	
<b>TD</b>	<b>9,250</b>			

Estimated TD: **9,250' or 200'± below TD**

**Anticipated BHP: 5,051 Psig**

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
BOP schematic diagrams attached.

**4. CASING PROGRAM:**

<b><u>CASING</u></b>	<b><u>Hole Size</u></b>	<b><u>Length</u></b>	<b><u>Size</u></b>	<b><u>WEIGHT</u></b>	<b><u>Grade</u></b>	<b><u>Thread</u></b>	<b><u>Rating Collapse</u></b>	<b><u>Factor Burst</u></b>	<b><u>Tensile</u></b>
<b>Conductor</b>	<b>20"</b>	<b>40 - 60'</b>	<b>14"</b>	<b>32.5#</b>	<b>A252</b>	<b>STC</b>		<b>1880 PSI</b>	<b>10,000#</b>
<b>Surface</b>	<b>12 1/4"</b>	<b>0 – 2,300'</b>	<b>9-5/8"</b>	<b>36.0#</b>	<b>J-55</b>	<b>STC</b>	<b>2020 PSI</b>	<b>3520 Psi</b>	<b>394,000#</b>
<b>Production</b>	<b>7-7/8"</b>	<b>Surface – TD</b>	<b>4-1/2"</b>	<b>11.6#</b>	<b>N-80</b>	<b>LTC</b>	<b>6350 PSI</b>	<b>7780 Psi</b>	<b>223,000#</b>

**Note:** 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

**All casing will be new or inspected.**



**EIGHT POINT PLAN**

**EAST CHAPITA 88-03**

**SW/NE, SEC. 3, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**5. Float Equipment:**

**Surface Hole Procedure (0' - 2300'±)**

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5<sup>th</sup> joint to surface. (15 total)

**Production Hole Procedure (2300'± - TD):**

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 3rd joint to 400' above the top of primary object. Thread lock float shoe, top and bottom of float collar, and top of 2<sup>nd</sup> joint.

**6. MUD PROGRAM**

**Surface Hole Procedure (Surface - 2300'±):**

Air/air mist or aerated water.

**Production Hole Procedure (2300'± - TD):** Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

**2300'± - TD** A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

**EIGHT POINT PLAN**

**EAST CHAPITA 88-03**

**SW/NE, SEC. 3, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**7. VARIANCE REQUESTS:**

**Reference:**     **Onshore Oil and Gas Order No. 1**  
                         **Onshore Oil and Gas Order No. 2 – Section E: Special Drilling Operations**

- EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line to be 100' in length. (Where possible, a straight run blooie line will be used).
- EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.
- EOG Resources, Inc. requests a variance to regulations, requiring during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by waster mist.
- EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).
- EOG Resources, Inc. requests a variance that compressors are located in the opposite direction from the blooie line a minimum of 100 feet from the well bore. (Air Compressors are rig mounted).

**8. EVALUATION PROGRAM:**

**Logs:**                             Mud log from base of surface casing to TD.  
**Cased-hole Logs:**         Cased-hole logs will be run in lieu of open-hole logs consisting of the following:  
   **CBL/CCL/VDL/GR**

**EIGHT POINT PLAN**

**EAST CHAPITA 88-03**

**SW/NE, SEC. 3, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**9. CEMENT PROGRAM:**

**Surface Hole Procedure (Surface - 2300'±):**

**Lead:**     **185 sks** Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl<sub>2</sub>, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

**Tail:**     **207 sks** Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Top Out:** As necessary with Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Note:**     Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

**Production Hole Procedure (2300'± - TD)**

**Lead:**     **140 sks:** Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail:**     **868 sks:** 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

**Note:**     The above number of sacks is based on gauge-hole calculation.  
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.  
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

**Final Cement volumes will be based upon gauge-hole plus 45% excess.**

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 2300'±):**

Lost circulation

**Production Hole (2300'± - TD):**

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

**EIGHT POINT PLAN**

**EAST CHAPITA 88-03**

**SW/NE, SEC. 3, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**11. STANDARD REQUIRED EQUIPMENT:**

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

**12. HAZARDOUS CHEMICALS:**

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

**13. Air Drilling Operations:**

- 1. Main Air Compressors are 1250 CFM 350 psi with 2000 psi Boosters and are rig mounted.
- 2. Secondary Air Compressors are 1170 CFM 350 psi with 2000 psi Boosters and are rig mounted.
- 3. Minimum setting depth of conductor casing will be 60' GL or 10'± into competent formation, whichever is deeper, as determined by the EOG person in charge. Exceptions must be approved by an EOG drilling superintendent or manager.
- 4. The diameter of the diverter flow line will be a minimum of 10" to help reduce back pressure on the well bore during uncontrolled flow.
- 5. Rat and Mouse hole drilling will occur only after surface casing has been set and cemented.
- 6. EOG Resources, Inc. will use a properly maintained and lubricated stripper head.

**(Attachment: BOP Schematic Diagram)**

## DIVISION OF OIL, GAS AND MINING

### **SPUDDING INFORMATION**

Name of Company: EOG RESOURCES INC

Well Name: E CHAPITA 88-03

Api No: 43-047-40512 Lease Type FEDERAL

Section 03 Township 09S Range 23E County UINTAH

Drilling Contractor CRAIG'S ROUSTABOUT SERV RIG # BUCKET

### **SPUDDED:**

Date 07/08/2010

Time 12:00 NOON

How DRY

**Drilling will Commence:** \_\_\_\_\_

Reported by KENT DAVENPORT

Telephone # (435) 828-8200

Date 07/08/2010 Signed CHD

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

**ENTITY ACTION FORM**

Operator: EOG Resources, Inc. Operator Account Number: N 9550  
Address: 1060 East Highway 40  
city Vernal  
state UT zip 84078 Phone Number: (435) 781-9145

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-40512	EAST CHAPITA 88-03		SWNE	3	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	17670	7/8/2010			7/19/10	
Comments: WASATCH/MESAVERDE Sego = MVRD = WSMVD							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
Comments:							

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
Comments:							

**RECEIVED**

**ACTION CODES:**

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

**JUL 14 2010**

**DIV. OF OIL, GAS & MINING**

Mickenzie Gates

(Please Print)

*Mickenzie Gates*

Signature

Operations Clerk

Title

7/12/2010

Date

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>																														
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<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>																															
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 7/8/2010  <input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:  <input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:  <input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<table style="width: 100%; border: none;"> <tr> <td><input type="checkbox"/> ACIDIZE</td> <td><input type="checkbox"/> ALTER CASING</td> <td><input type="checkbox"/> CASING REPAIR</td> </tr> <tr> <td><input type="checkbox"/> CHANGE TO PREVIOUS PLANS</td> <td><input type="checkbox"/> CHANGE TUBING</td> <td><input type="checkbox"/> CHANGE WELL NAME</td> </tr> <tr> <td><input type="checkbox"/> CHANGE WELL STATUS</td> <td><input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS</td> <td><input type="checkbox"/> CONVERT WELL TYPE</td> </tr> <tr> <td><input type="checkbox"/> DEEPEN</td> <td><input type="checkbox"/> FRACTURE TREAT</td> <td><input type="checkbox"/> NEW CONSTRUCTION</td> </tr> <tr> <td><input type="checkbox"/> OPERATOR CHANGE</td> <td><input type="checkbox"/> PLUG AND ABANDON</td> <td><input type="checkbox"/> PLUG BACK</td> </tr> <tr> <td><input type="checkbox"/> PRODUCTION START OR RESUME</td> <td><input type="checkbox"/> RECLAMATION OF WELL SITE</td> <td><input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION</td> </tr> <tr> <td><input type="checkbox"/> REPERFORATE CURRENT FORMATION</td> <td><input type="checkbox"/> SIDETRACK TO REPAIR WELL</td> <td><input type="checkbox"/> TEMPORARY ABANDON</td> </tr> <tr> <td><input type="checkbox"/> TUBING REPAIR</td> <td><input type="checkbox"/> VENT OR FLARE</td> <td><input checked="" type="checkbox"/> WATER DISPOSAL</td> </tr> <tr> <td><input type="checkbox"/> WATER SHUTOFF</td> <td><input type="checkbox"/> SI TA STATUS EXTENSION</td> <td><input type="checkbox"/> APD EXTENSION</td> </tr> <tr> <td><input type="checkbox"/> WILDCAT WELL DETERMINATION</td> <td><input type="checkbox"/> OTHER</td> <td>OTHER:  </td> </tr> </table>		<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input checked="" type="checkbox"/> WATER DISPOSAL	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER:
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<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER:																														
<b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b> EOG Resources, Inc. respectfully requests authorization for the disposal of produced water at the following locations: 1. NBU 20-20B SWD 2. CWU 550-30N SWD 3. CWU 2-29 SWD 4. Red Wash Evaporation Ponds 1,2,3,4,5,6&7 5. White River Evaporation Ponds 1&2 6. RNI Disposal 7. HSWD Wells ROW# UTU86010 & UTU897093																																
<b>Accepted by the</b> <b>Utah Division of</b> <b>Oil, Gas and Mining</b> <b>FOR RECORD ONLY</b> July 14, 2010																																
<b>NAME (PLEASE PRINT)</b> Mickenzie Gates	<b>PHONE NUMBER</b> 435 781-9145	<b>TITLE</b> Operations Clerk																														
<b>SIGNATURE</b> N/A	<b>DATE</b> 7/12/2010																															

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU01304
<b>1. TYPE OF WELL</b> Gas Well		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.		<b>7. UNIT or CA AGREEMENT NAME:</b>
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078		<b>8. WELL NAME and NUMBER:</b> E CHAPITA 88-03
<b>4. LOCATION OF WELL FOOTAGES AT SURFACE:</b> 2107 FNL 1995 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWNE Section: 03 Township: 09.0S Range: 23.0E Meridian: S		<b>9. API NUMBER:</b> 43047405120000
<b>PHONE NUMBER:</b> 435 781-9111 Ext		<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
<b>COUNTY:</b> UTAH		<b>STATE:</b> UTAH
<b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>		
<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>	
<input type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start:	<input type="checkbox"/> <b>ACIDIZE</b>	
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input type="checkbox"/> <b>ALTER CASING</b>	
<input checked="" type="checkbox"/> <b>SPUD REPORT</b> Date of Spud: 7/8/2010	<input type="checkbox"/> <b>CASING REPAIR</b>	
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> <b>CHANGE TO PREVIOUS PLANS</b>	
	<input type="checkbox"/> <b>CHANGE TUBING</b>	
	<input type="checkbox"/> <b>CHANGE WELL STATUS</b>	
	<input type="checkbox"/> <b>COMMINGLE PRODUCING FORMATIONS</b>	
	<input type="checkbox"/> <b>DEEPEN</b>	
	<input type="checkbox"/> <b>FRACTURE TREAT</b>	
	<input type="checkbox"/> <b>OPERATOR CHANGE</b>	
	<input type="checkbox"/> <b>PLUG AND ABANDON</b>	
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	<input type="checkbox"/> <b>SIDETRACK TO REPAIR WELL</b>	
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	<input type="checkbox"/> <b>VENT OR FLARE</b>	
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	<input type="checkbox"/> <b>SI TA STATUS EXTENSION</b>	
	<input type="checkbox"/> <b>WILDCAT WELL DETERMINATION</b>	
	<input type="checkbox"/> <b>OTHER:</b>	
<b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b>  The referenced well was spud on 7/8/2010.		
Accepted by the Utah Division of Oil, Gas and Mining <b>FOR RECORD ONLY</b> July 20, 2010		
<b>NAME (PLEASE PRINT)</b> Mickenzie Gates	<b>PHONE NUMBER</b> 435 781-9145	<b>TITLE</b> Operations Clerk
<b>SIGNATURE</b> N/A	<b>DATE</b> 7/12/2010	



<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU01304
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<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.		<b>7. UNIT or CA AGREEMENT NAME:</b>
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078		<b>8. WELL NAME and NUMBER:</b> E CHAPITA 88-03
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<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>	
<input type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start:	<input type="checkbox"/> ACIDIZE	
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input type="checkbox"/> ALTER CASING	
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CASING REPAIR	
<input checked="" type="checkbox"/> <b>DRILLING REPORT</b> Report Date: 7/8/2010	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
	<input type="checkbox"/> CHANGE TUBING	
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	<input type="checkbox"/> WATER SHUTOFF	
	<input type="checkbox"/> SI TA STATUS EXTENSION	
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	
	<input type="checkbox"/> OTHER:	
<b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b> No activity has occurred since spud on 7/8/2010.		
Accepted by the Utah Division of Oil, Gas and Mining <b>FOR RECORD ONLY</b> July 20, 2010		
<b>NAME (PLEASE PRINT)</b> Mickenzie Gates	<b>PHONE NUMBER</b> 435 781-9145	<b>TITLE</b> Operations Clerk
<b>SIGNATURE</b> N/A	<b>DATE</b> 7/12/2010	

<div>STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING</div>		<div>FORM 9</div> <div>5.LEASE DESIGNATION AND SERIAL NUMBER: UTU01304</div>	
<div>SUNDRY NOTICES AND REPORTS ON WELLS</div> <div>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.</div>		<div>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</div> <div>7.UNIT or CA AGREEMENT NAME:</div>	
<div>1. TYPE OF WELL Gas Well</div>		<div>8. WELL NAME and NUMBER: E CHAPITA 88-03</div>	
<div>2. NAME OF OPERATOR: EOG Resources, Inc.</div>		<div>9. API NUMBER: 43047405120000</div>	
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<div>TYPE OF SUBMISSION</div>		<div>TYPE OF ACTION</div>	
<div><input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:</div> <div><input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:</div> <div><input type="checkbox"/> SPUD REPORT Date of Spud:</div> <div><input checked="" type="checkbox"/> DRILLING REPORT Report Date: 8/5/2010</div>		<div><div><input type="checkbox"/> ACIDIZE</div><div><input type="checkbox"/> CHANGE TO PREVIOUS PLANS</div><div><input type="checkbox"/> CHANGE WELL STATUS</div><div><input type="checkbox"/> DEEPEN</div><div><input type="checkbox"/> OPERATOR CHANGE</div><div><input type="checkbox"/> PRODUCTION START OR RESUME</div><div><input type="checkbox"/> REPERFORATE CURRENT FORMATION</div><div><input type="checkbox"/> TUBING REPAIR</div><div><input type="checkbox"/> WATER SHUTOFF</div><div><input type="checkbox"/> WILDCAT WELL DETERMINATION</div></div> <div><div><input type="checkbox"/> ALTER CASING</div><div><input type="checkbox"/> CHANGE TUBING</div><div><input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS</div><div><input type="checkbox"/> FRACTURE TREAT</div><div><input type="checkbox"/> PLUG AND ABANDON</div><div><input type="checkbox"/> RECLAMATION OF WELL SITE</div><div><input type="checkbox"/> SIDETRACK TO REPAIR WELL</div><div><input type="checkbox"/> VENT OR FLARE</div><div><input type="checkbox"/> SI TA STATUS EXTENSION</div><div><input type="checkbox"/> OTHER</div></div> <div><div><input type="checkbox"/> CASING REPAIR</div><div><input type="checkbox"/> CHANGE WELL NAME</div><div><input type="checkbox"/> CONVERT WELL TYPE</div><div><input type="checkbox"/> NEW CONSTRUCTION</div><div><input type="checkbox"/> PLUG BACK</div><div><input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION</div><div><input type="checkbox"/> TEMPORARY ABANDON</div><div><input type="checkbox"/> WATER DISPOSAL</div><div><input type="checkbox"/> APD EXTENSION</div></div> <div>OTHER: <input type="text"/></div>	

# WELL CHRONOLOGY REPORT

Report Generated On: 08-03-2010

<b>Well Name</b>	ECW 088-03	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA DEEP	<b>API #</b>	43-047-40512	<b>Well Class</b>	DRIL
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>		<b>Class Date</b>	
<b>Tax Credit</b>	N	<b>TVD / MD</b>	9,250/ 9,250	<b>Property #</b>	063933
<b>Water Depth</b>	0	<b>Last CSG</b>	9.625	<b>Shoe TVD / MD</b>	2,582/ 2,582
<b>KB / GL Elev</b>	5,006/ 4,994				
<b>Location</b>	Section 3, T9S, R23E, SWNE, 2107 FNL & 1995 FEL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	100.0	<b>NRI %</b>	84.75

<b>AFE No</b>	306591	<b>AFE Total</b>	1,517,700	<b>DHC / CWC</b>	601,600/ 916,100
<b>Rig Contr</b>	TRUE	<b>Rig Name</b>	TRUE #31	<b>Start Date</b>	01-27-2009
<b>01-27-2009</b>	<b>Reported By</b>	SHEILA MALLOY			
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Well Total</b>	\$0
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			2107' FNL & 1995' FEL (SW/NE)
			SECTION 3, T9S, R23E
			UINTAH COUNTY, UTAH
			LAT 40.066172, LONG 109.310889 (NAD 83)
			LAT 40.066206, LONG 109.310211 (NAD 27)
			TRUE #34
			OBJECTIVE: 9250' TD MESAVERDE
			DW/GAS
			EAST CHAPITA PROSPECT
			DD&A: CHAPITA DEEP
			NATURAL BUTTES FIELD
			LEASE: U-01304
			ELEVATION: 4993.4' NAT GL, 4993.8' PREP GL (DUE TO ROUNDING THE PREP GL IS 4994'), 5013' KB (19')
			EOG WI 100%, NRI 84.75%

07-02-2010      Reported By      TERRY CSERE

**RECEIVED** August 05, 2010

<b>DailyCosts: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Daily Total</b>	\$75,000
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	START LOCATION BUILD.

07-06-2010 Reported By TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 90% COMPLETE.

07-07-2010 Reported By TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION COMPLETE. START CLOSED LOOP.

07-08-2010 Reported By TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	GEL CLOSED LOOP TODAY.

07-09-2010 Reported By TERRY CSERE/KENT DEVENPORT

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	60	<b>TVD</b>	60	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: SPUD NOTIFICATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	CRAIG'S BUCKET RIG SPUD A 20" HOLE ON 7/8/2010 @ 12:00 PM (NOON). SET +/-60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. CAROL DANIELS W/UDOGM WAS NOTIFIED BY PHONE MESSAGE AND BLM WAS NOTIFIED BY EMAIL OF SPUD ON 7/7/10 @ 01:07 PM.

07-12-2010      Reported By      TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000

<b>MD</b>	60	<b>TVD</b>	60	<b>Progress</b>	0	<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
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<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>	<b>PKR Depth : 0.0</b>
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Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION COMPLETE.

07-19-2010      Reported By      KERRY SALES

<b>Daily Costs: Drilling</b>	\$228,956	<b>Completion</b>	\$0	<b>Daily Total</b>	\$228,956
<b>Cum Costs: Drilling</b>	\$303,956	<b>Completion</b>	\$0	<b>Well Total</b>	\$303,956

<b>MD</b>	2,592	<b>TVD</b>	2,592	<b>Progress</b>	0	<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
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<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>	<b>PKR Depth : 0.0</b>
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Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU: CRAIG'S AIR RIG #2 ON 7/13/2010. DRILLED 12-1/4" HOLE TO 2573' GL (2592' KB). ENCOUNTERED NO WATER. DRILLED WITH AIR, FOAM TO 2010' AND PUMP DRILLED TO TD WITH 50% LOSSES. RAN 57 JTS (2563.03') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED CASING @ 2582.03' KB. THE RIG RAN 200' OF 1" PIPE DOWN BACK SIDE. RDMO CRAIGS RIG #2.

MIRU: HALLIBURTON CEMENTERS. WE HELD PRE JOB SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 3719 PSI. PUMPED 190 BBLS FRESH WATER & 20 BBLS GEL WATER FLUSH AHEAD OF CEMENT. NO RETURNS. LEAD: MIXED AND PUMPED 250 SACKS (183 BBLS) OF PREMIUM LEAD CEMENT 10.5 PPG, YIELD 4.1 WITH 0.2% VARSET, 2% CALSEAL, AND 2% EX-1. TAIL: MIXED AND PUMPED 300 SACKS (63 BBLS) OF PREMIUM CEMENT W/ 2% CACL MIXED CEMENT @ 15.6 PPG, YIELD 1.18 CF/SX. WE DISPLACED CEMENT W/194 BBLS FRESH WATER. FCP 230 PSI, BUMPED PLUG W/1160 PSI @ 04:33 AM 07/18/10 FLOATS HELD. NO RETURNS OF CEMENT TO SURFACE. WOC 4.5 HOURS.

TOP JOB # 1: DOWN 200' OF 1' PIPE, MIXED & PUMPED 165 SX (34 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG, YIELD 1.15 CF/SX. WAIT ON CEMENT 2 HOURS.

TOP JOB # 2: MIXED & PUMPED 75 SX (15.4 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG, YIELD 1.15 CF/SX. GOT CEMENT TO SURFACE. HOLE FULL AND STATIC 5 BBL'S OF CEMENT BACK. OBSERVE WELL FOR 2 HOURS WHILE RIGGING DOWN.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

CRAIGS RIG 2 TOOK 5 SURVEYS WHILE DRILLING HOLE @ 1530' = 1 DEGREE, 1980' = 4 DEGREES, 2070' = 4 DEGREES, 2190' = 1.5 DEGREES AND 2550" = 2.5 DEGREES.

KERRY SALES NOTIFIED THE BLM VIA EMAIL OF THE SURFACE CASING & CEMENT JOB ON 07/17/10 @ 10:30 PM. KERRY SALES NOTIFIED CAROL DANIELS WITH UDOGM OF THE SURFACE CASING AND CEMENT VIA PHONE ON 07/17/10 AT 10:30 PM. STATE AND BLM NOTIFIED ON 07/16/2010 @ 02:38 PM.

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU01304
		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
		<b>7. UNIT or CA AGREEMENT NAME:</b>
<b>1. TYPE OF WELL</b> Gas Well		<b>8. WELL NAME and NUMBER:</b> E CHAPITA 88-03
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.		<b>9. API NUMBER:</b> 43047405120000
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078		<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 2107 FNL 1995 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWNE Section: 03 Township: 09.0S Range: 23.0E Meridian: S		<b>COUNTY:</b> UINTAH
		<b>STATE:</b> UTAH
<b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>		
<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>	
<input type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start:	<input type="checkbox"/> ACIDIZE	
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input type="checkbox"/> ALTER CASING	
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CASING REPAIR	
<input checked="" type="checkbox"/> <b>DRILLING REPORT</b> Report Date: 8/31/2010	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
	<input type="checkbox"/> CHANGE TUBING	
	<input type="checkbox"/> CHANGE WELL STATUS	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	
	<input type="checkbox"/> DEEPEN	
	<input type="checkbox"/> FRACTURE TREAT	
	<input type="checkbox"/> OPERATOR CHANGE	
	<input type="checkbox"/> PLUG AND ABANDON	
	<input checked="" type="checkbox"/> PRODUCTION START OR RESUME	
	<input type="checkbox"/> RECLAMATION OF WELL SITE	
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> VENT OR FLARE	
	<input type="checkbox"/> WATER SHUTOFF	
	<input type="checkbox"/> SI TA STATUS EXTENSION	
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	
	<input type="checkbox"/> OTHER	
	OTHER: <input style="width: 100px;" type="text"/>	
<b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b> The referenced well was turned to sales on 8/31/2010. Please see the attached operations summary report for drilling and completion operations performed on the subject well.		
<b>Accepted by the</b> <b>Utah Division of</b> <b>Oil, Gas and Mining</b> <b>FOR RECORD ONLY</b> September 07, 2010		
<b>NAME (PLEASE PRINT)</b> Mickenzie Gates	<b>PHONE NUMBER</b> 435 781-9145	<b>TITLE</b> Operations Clerk
<b>SIGNATURE</b> N/A	<b>DATE</b> 9/2/2010	

# WELL CHRONOLOGY REPORT

Report Generated On: 09-02-2010

<b>Well Name</b>	ECW 088-03	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA DEEP	<b>API #</b>	43-047-40512	<b>Well Class</b>	COMP
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	08-06-2010	<b>Class Date</b>	
<b>Tax Credit</b>	N	<b>TVD / MD</b>	9,250/ 9,250	<b>Property #</b>	063933
<b>Water Depth</b>	0	<b>Last CSG</b>	2.375	<b>Shoe TVD / MD</b>	0/ 0
<b>KB / GL Elev</b>	5,006/ 4,994				
<b>Location</b>	Section 3, T9S, R23E, SWNE, 2107 FNL & 1995 FEL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	100.0	<b>NRI %</b>	84.75

AFE No		306591		AFE Total		1,517,700		DHC / CWC		601,600/ 916,100	
Rig Contr	TRUE	Rig Name	TRUE #34	Start Date	01-27-2009	Release Date	08-13-2010				
Rig Contr	TRUE	Rig Name	TRUE #34	Start Date	08-09-2010	Release Date					
Rig Contr	TRUE	Rig Name	TRUE #34	Start Date	08-10-2010	Release Date	08-13-2010				
01-27-2009	Reported By		SHEILA MALLOY								
DailyCosts: Drilling		\$0		Completion	\$0		Daily Total	\$0			
Cum Costs: Drilling		\$0		Completion	\$0		Well Total	\$0			
MD	0	TVD	0	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			

**Activity at Report Time:** LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			2107' FNL & 1995' FEL (SW/NE)
			SECTION 3, T9S, R23E
			UINTAH COUNTY, UTAH
			LAT 40.066172, LONG 109.310889 (NAD 83)
			LAT 40.066206, LONG 109.310211 (NAD 27)
			TRUE #34
			OBJECTIVE: 9250' TD MESAVERDE
			DW/GAS
			EAST CHAPITA PROSPECT
			DD&A: CHAPITA DEEP
			NATURAL BUTTES FIELD
			LEASE: U-01304
			ELEVATION: 4993.4' NAT GL, 4993.8' PREP GL (DUE TO ROUNDING THE PREP GL IS 4994'), 5013' KB (19')

September 02, 2010

EOG WI 100%, NRI 84.75%

07-02-2010		Reported By		TERRY CSERE							
DailyCosts: Drilling		\$75,000		Completion		\$0		Daily Total		\$75,000	
Cum Costs: Drilling		\$75,000		Completion		\$0		Well Total		\$75,000	
MD	0	TVD	0	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :		PBTBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: BUILD LOCATION											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	START LOCATION BUILD.								

07-06-2010		Reported By		TERRY CSERE							
DailyCosts: Drilling		\$0		Completion		\$0		Daily Total		\$0	
Cum Costs: Drilling		\$75,000		Completion		\$0		Well Total		\$75,000	
MD	0	TVD	0	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :		PBTBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: BUILD LOCATION											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	LOCATION 90% COMPLETE.								

07-07-2010		Reported By		TERRY CSERE							
DailyCosts: Drilling		\$0		Completion		\$0		Daily Total		\$0	
Cum Costs: Drilling		\$75,000		Completion		\$0		Well Total		\$75,000	
MD	0	TVD	0	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :		PBTBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: BUILD LOCATION											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	LOCATION COMPLETE. START CLOSED LOOP.								

07-08-2010		Reported By		TERRY CSERE							
DailyCosts: Drilling		\$0		Completion		\$0		Daily Total		\$0	
Cum Costs: Drilling		\$75,000		Completion		\$0		Well Total		\$75,000	
MD	0	TVD	0	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :		PBTBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: BUILD LOCATION											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	GEL CLOSED LOOP TODAY.								

07-09-2010		Reported By		TERRY CSERE/KENT DEVENPORT							
DailyCosts: Drilling		\$0		Completion		\$0		Daily Total		\$0	
Cum Costs: Drilling		\$75,000		Completion		\$0		Well Total		\$75,000	
MD	60	TVD	60	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :		PBTBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: SPUD NOTIFICATION											
Start	End	Hrs	Activity Description								



06:00 06:00 24.0 CRAIG'S BUCKET RIG SPUD A 20" HOLE ON 7/8/2010 @ 12:00 PM (NOON). SET +/-60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. CAROL DANIELS W/UDOGM WAS NOTIFIED BY PHONE MESSAGE AND BLM WAS NOTIFIED BY EMAIL OF SPUD ON 7/7/10 @ 01:07 PM.

**07-12-2010**      **Reported By**      TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000

<b>MD</b>	60	<b>TVD</b>	60	<b>Progress</b>	0	<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
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<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>	<b>PKR Depth : 0.0</b>
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**Activity at Report Time:** BUILD LOCATION

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	LOCATION COMPLETE.

**07-19-2010**      **Reported By**      KERRY SALES

<b>Daily Costs: Drilling</b>	\$228,956	<b>Completion</b>	\$0	<b>Daily Total</b>	\$228,956
<b>Cum Costs: Drilling</b>	\$303,956	<b>Completion</b>	\$0	<b>Well Total</b>	\$303,956

<b>MD</b>	2,592	<b>TVD</b>	2,592	<b>Progress</b>	0	<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
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<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>	<b>PKR Depth : 0.0</b>
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**Activity at Report Time:** WORT

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	MIRU: CRAIG'S AIR RIG #2 ON 7/13/2010. DRILLED 12-1/4" HOLE TO 2573' GL (2592' KB). ENCOUNTERED NO WATER. DRILLED WITH AIR, FOAM TO 2010' AND PUMP DRILLED TO TD WITH 50% LOSSES. RAN 57 JTS (2563.03') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED CASING @ 2582.03' KB. THE RIG RAN 200' OF 1" PIPE DOWN BACK SIDE. RDMO CRAIGS RIG #2.

MIRU: HALLIBURTON CEMENTERS. WE HELD PRE JOB SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 3719 PSI. PUMPED 190 BBLS FRESH WATER & 20 BBLS GEL WATER FLUSH AHEAD OF CEMENT. NO RETURNS. LEAD: MIXED AND PUMPED 250 SACKS (183 BBLS) OF PREMIUM LEAD CEMENT 10.5 PPG, YIELD 4.1 WITH 0.2% VARSET, 2% CALSEAL, AND 2% EX-1. TAIL: MIXED AND PUMPED 300 SACKS (63 BBLS) OF PREMIUM CEMENT W/ 2% CACL MIXED CEMENT @ 15.6 PPG, YIELD 1.18 CF/SX. WE DISPLACED CEMENT W/194 BBLS FRESH WATER. FCP 230 PSI, BUMPED PLUG W/1160 PSI @ 04:33 AM 07/18/10 FLOATS HELD. NO RETURNS OF CEMENT TO SURFACE. WOC 4.5 HOURS.

TOP JOB # 1: DOWN 200' OF 1" PIPE, MIXED & PUMPED 165 SX (34 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG, YIELD 1.15 CF/SX. WAIT ON CEMENT 2 HOURS.

TOP JOB # 2: MIXED & PUMPED 75 SX (15.4 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG, YIELD 1.15 CF/SX. GOT CEMENT TO SURFACE. HOLE FULL AND STATIC 5 BBL'S OF CEMENT BACK. OBSERVE WELL FOR 2 HOURS WHILE RIGGING DOWN.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

CRAIGS RIG 2 TOOK 5 SURVEYS WHILE DRILLING HOLE @ 1530' = 1 DEGREE, 1980' = 4 DEGREES, 2070' = 4 DEGREES, 2190' = 1.5 DEGREES AND 2550" = 2.5 DEGREES.

KERRY SALES NOTIFIED THE BLM VIA EMAIL OF THE SURFACE CASING & CEMENT JOB ON 07/17/10 @ 10:30 PM. KERRY SALES NOTIFIED CAROL DANIELS WITH UDOGM OF THE SURFACE CASING AND CEMENT VIA PHONE ON 07/17/10 AT 10:30 PM. STATE AND BLM NOTIFIED ON 07/16/2010 @ 02:38 PM.

**08-06-2010**      **Reported By**      GLEN PRUET

<b>DailyCosts: Drilling</b>	\$65,439	<b>Completion</b>	\$0	<b>Daily Total</b>	\$65,439
<b>Cum Costs: Drilling</b>	\$369,395	<b>Completion</b>	\$0	<b>Well Total</b>	\$369,395
<b>MD</b>	2,592	<b>TVD</b>	2,592	<b>Progress</b>	0
				<b>Days</b>	0
				<b>MW</b>	0.0
<b>Visc</b>					0.0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
				<b>PKR Depth : 0.0</b>	

**Activity at Report Time:** TEST BOPE

Start	End	Hrs	Activity Description
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10:00	03:00	17.0	MIRU. 0.7 MILES FROM ECW 87-03 TO ECW 88-03. CONTINUE TO RURT.
03:00	06:00	3.0	ACCEPT RIG ON DAY WORK 03:00 HRS, 8/6/2010.

HELD PJSM WITH B & C QUICK TEST, INC. RU AND TEST PIPE RAMS, BLIND RAMS, HCR, CHOKE LINES, MANIFOLD, KILL LINE VALVES, UPPER & LOWER KELLY & INSIDE BOP 250 LOW/ 5000 PSI HI, 10 MINUTES. TEST ANNULAR PREVENTER 250/2500 PSI FOR 10 MINUTES.

B & C PERFORMED ACCUMULATOR FUNCTION TEST.

FULL CREWS, NO ACCIDENTS.

SAFETY MEETINGS, TRUCK, CRANE OPERATION.

FUEL ON HAND 2850 GALLONS

TRANSFER 2850 GALLONS DIESEL FUEL, \$2.61/GALLON. TRANSFER 254' (6 JTS) 11.6# N-80 LTC CASING AND ( 3 MKR. JTS) 53.38' P-110 11.6# TO ECW 88.03.

NOTIFIED BLM VIA EMAIL AND UDOGM VIA TELEPHONE(CAROL DANIELS) 8/4/10 @ 15:30 HRS. RE: ECW 88-03 BOP TEST.

WEATHER; FAIR, TEMP 62 DEG. DEW PT. 53 DEG. WIND WSW VISIBILITY 10 MI.

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**08-07-2010**      **Reported By**      GLEN PRUET

<b>DailyCosts: Drilling</b>	\$58,651	<b>Completion</b>	\$0	<b>Daily Total</b>	\$58,651
<b>Cum Costs: Drilling</b>	\$428,046	<b>Completion</b>	\$0	<b>Well Total</b>	\$428,046
<b>MD</b>	4,020	<b>TVD</b>	4,020	<b>Progress</b>	1,428
				<b>Days</b>	1
				<b>MW</b>	9.2
<b>Visc</b>					32.0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
				<b>PKR Depth : 0.0</b>	

**Activity at Report Time:** DRILLING @ 4020'

Start	End	Hrs	Activity Description
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06:00	08:30	2.5	PJSM WITH B & C QUICK TEST, INC. AND RIG CREW. RU AND TEST PIPE RAMS, BLIND RAMS, HCR, CHOKE LINES, MANIFOLD, KILL LINE VALVES, UPPER & LOWER KELLY & INSIDE BOP 250 LOW/ 5000 PSI HI, 10 MINUTES. TEST ANNULAR PREVENTER 250/2500 PSI FOR 10 MINUTES.  B & C PERFORMED ACCUMULATOR FUNCTION TEST AS FOLLOWS; #1 USUABLE FLUID TEST GOOD W/1150 PSI AFTER FUNCTIONING RAMS. #2 PRECHARGE CHECK GOOD AFTER OPENING ANNULAR, BLEEDING BOTTLES INTO RESERVOIR, PRESSURE DROP TO 900 PSI. #3 CAPACITY OF PUMPS; OPEN HCR, CLOSE ANNULAR AND REGAINED PRESSURE TO 1200 PSI IN 55 SEC. ACCUMULATOR TEST GOOD.
08:30	09:00	0.5	CASING TEST @ 1500 PSI FOR 30 MINUTES. NO BLM OR STATE REP. ON LOCATION TO WITNESS TEST. BLM NOTIFIED VIA EMAIL AND UDOGM (CAROL DANIELS) TELEPHONE RE: BOP TEST ON 8/4/10 15:30 HRS.
09:00	09:30	0.5	INSTALL WEAR BUSHING.
09:30	12:30	3.0	PJSM WITH FRANKS CASING SERVICE CREW AND RIG CREW. RU/PU MACHINE EQUIPMENT. PICK UP 7 7/8" REED PDC BIT, BHA & DP ON TRIP IN HOLE. TAG CMT @ 2530'.
12:30	13:30	1.0	PICK UP ROTATING HEAD ASSEY. TIGHTEN KELLY. R/D FRANKS L/D MACHINE.
13:30	14:00	0.5	DRILL CEMENT/FLOAT EQUIP. & 10' OF FORMATION.
14:00	14:30	0.5	FIT @ 2593'. WITH 9.2 PPG MUD + 209 PSI, SIP = 10.7 PPG. EMW.
14:30	17:00	2.5	DRILL 2593' TO 2701', 108' / 43.2 FPH, 45/55 RPM + 68 RPM ON MOTOR. WOB 11/17K. PUMP 425 GPM @ 112 SPM, SPP 1375 PSI, DIFF 236 DRLG MAHOGANY OIL SHALE BED. (FUNC. COM 2639').
17:00	17:30	0.5	SERVICE RIG

17:30	20:00	2.5 DRILL 2701' TO 2983', 282' / 112.8 FPH, 65 RPM + 76 RPM ON MOTOR. WOB 19/24K. PUMP 475 GPM @ 125 SPM, SPP 1725 PSI, DIFF 230/348 DRLG MAHOGANY OIL SHALE BED.
20:00	20:30	0.5 WL SURVEY 1.28 DEG. @ 2902'.
20:30	04:00	7.5 DRILL 2983' TO 3889', 906' / 120.8 FPH, 65/70 RPM + 72 RPM ON MOTOR. WOB 18/27K. PUMP 456 GPM @ 120 SPM, SPP 2000 PSI, DIFF 250/425 DRLG MAHOGANY OIL SHALE BED. (FUNC COM/DRILLING.)
04:00	04:30	0.5 WL SURVEY 1.46 DEG. @ 3808'.
04:30	06:00	1.5 DRILL 3889' TO 4020', 131' / 87.3 FPH, 65/70 RPM + 72 RPM ON MOTOR. WOB 18/27K. PUMP 456 GPM @ 120 SPM, SPP 2000 PSI, DIFF 250/425 DRLG MAHOGANY OIL SHALE BED. (FUNC COM/DRILLING.)

FULL CREWS. NO ACCIDENTS REPORTED.

SAFETY MEETINGS TOPICS; DRILL OUT. WL SURVEYS.

FUEL ON HAND 8550 GAL. USED 684 GAL. RECEIVED 6612 GALLONS.

WEATHER; FAIR, TEMP 59 DEG. DEW PT. 46 DEG. WIND F/NW 5-10 MPH. HUMID 62 , VIS.10 MI.

06:00 SPUD 7 7/8" HOLE @ 14:30 HRS, 8/6/2010.

**08-08-2010**      **Reported By**      GLEN PRUET

<b>DailyCosts: Drilling</b>	\$26,684	<b>Completion</b>	\$0	<b>Daily Total</b>	\$26,684
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<b>Cum Costs: Drilling</b>	\$454,731	<b>Completion</b>	\$0	<b>Well Total</b>	\$454,731
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<b>MD</b>	5,923	<b>TVD</b>	5,923	<b>Progress</b>	1,903	<b>Days</b>	2	<b>MW</b>	0.0	<b>Visc</b>	0.0
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<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>	<b>PKR Depth : 0.0</b>
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**Activity at Report Time:** DRILLING @ 5923'

Start	End	Hrs	Activity Description
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06:00	12:30	6.5	DRILL 4020' TO 4766', 746' / 114.7 FPH, 65/70 RPM + 72 RPM ON MOTOR. WOB 18/27K. PUMP 456 GPM @ 120 SPM, SPP 2000 PSI, DIFF 250/425 DRLG MAHOGANY OIL SHALE BED. (FUNC COM).
12:30	13:00	0.5	WL SURVEY 2.0 DEG. @ 4686'.
13:00	14:00	1.0	DRILL 4766' TO 4890', 124 FPH, 50/55 RPM + 72 RPM ON MOTOR. WOB 18/22K. PUMP 456 GPM @ 120 SPM, SPP 2035/2100 PSI, DIFF 210/445 DRLG. WASATCH F/4827'.
14:00	14:30	0.5	SERVICE RIG.
14:30	06:00	15.5	DRILL 4890' TO 5923', 1033' / 66.64 FPH, 55 RPM + 68 RPM ON MOTOR. WOB 17/24K. PUMP 427 GPM @ 122 SPM, SPP 2025/2360 PSI, DIFF 200/425 DRLG. CHAPITA WELLS F/5415'. (BOP DRILL 82 SEC. @ 5295').

MUD WEIGHT 9.8 PPG, VISCOSITY 32

FULL CREWS. NO ACCIDENTS REPORTED.

SAFETY MEETINGS TOPICS; FORK LIFT OPERATIONS. FIRST AID.

FUEL ON HAND 7172 GAL. USED 1378 GAL.

WEATHER; FAIR, TEMP 54 DEG. DEW PT. 50 DEG. WIND W 5-10 MPH. HUMID 86 , VIS.10 MI.

**08-09-2010**      **Reported By**      GLEN PRUET

<b>DailyCosts: Drilling</b>	\$22,706	<b>Completion</b>	\$0	<b>Daily Total</b>	\$22,706
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<b>Cum Costs: Drilling</b>	\$477,437	<b>Completion</b>	\$0	<b>Well Total</b>	\$477,437
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<b>MD</b>	6,975	<b>TVD</b>	6,975	<b>Progress</b>	1,052	<b>Days</b>	3	<b>MW</b>	0.0	<b>Visc</b>	0.0
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<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>	<b>PKR Depth : 0.0</b>
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**Activity at Report Time:** DRILLING @ 6975'

Start	End	Hrs	Activity Description
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06:00	12:30	6.5	DRILL 5923' TO 6298', 375' / 57.69 FPH, 55 RPM + 68 RPM ON MOTOR. WOB 19/23K. PUMP 427 GPM @ 122 SPM, SPP 2360 PSI, DIFF 182/380 DRLG. CHAPITA WELLS F/5415', BUCK CANYON F/6071'. (FUNC COM. @ 5954').
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12:30 13:00 0.5 SERVICE RIG.  
 13:00 06:00 17.0 DRILL 6298' TO 6975', 677' / 39.8 FPH, 42 RPM + 73/ RPM ON MOTOR. WOB 19/24K. PUMP 456 GPM @ 120 SPM, SPP 2520 PSI, DIFF 320 DRLG. BUCK CANYON F/6071', NORTH HORN F/6630'.. (FUNC COM. DRILLING).

MUD WEIGHT 11.0 PPG, VISCOSITY 36

FULL CREWS. NO ACCIDENTS REPORTED. CREW SAFETY DRILLS.

SAFETY MEETINGS TOPICS; C/O ROTATING DRIVE BUSHING. MSDS SIGNAGE.

FUEL ON HAND 5772 GAL. USED 1400 GAL.

WEATHER; FAIR, TEMP 53 DEG. DEWPOINT 45 DEG. WIND W 5-10 MPH. HUMIDITY 72, VISIBILITY 10 MI.

08-10-2010		Reported By		GLEN PRUET							
DailyCosts: Drilling		\$50,363		Completion		\$3,925		Daily Total		\$54,288	
Cum Costs: Drilling		\$527,800		Completion		\$3,925		Well Total		\$531,725	
MD	8,025	TVD	8,025	Progress	1,050	Days	4	MW	0.0	Visc	0.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: DRILLING @ 8025'											
Start	End	Hrs	Activity Description								
06:00	09:00	3.0	DRILL 6975' TO 7112', 137' / 45.66 FPH, 42 RPM + 73/ RPM ON MOTOR. WOB 19/24K. PUMP 456 GPM @ 120 SPM, SPP 2520 PSI, DIFF 320 DRLG. KMV PRICE RIVER F/7048'. MUD WEIGHT 11.0 PPG.. (FUNC COM. DRILLING).								
09:00	09:30	0.5	FINISH PUMPING 80 BBLS HI VIS SWEEP AROUND. CHECK FLOW, OK. DROP SURVEY.								
09:30	14:30	5.0	TFNB (FUNC COM F/TRIP). LAID DOWN ROLLER REAMERS. FUNCTION BLIND & PIPE RAMS. P/U BIT #2, REED DSF-616D R41 W/6 x 13, AND TIH. FILL PIPE @ SHOE & 4170'. NO DRAG ON TRIP OUT, NO BRIDGES ON TRIP IN. FUNC COM FOR TRIP. BOP DRILL 95 SEC. TO SECURE WELL.								
14:30	15:00	0.5	WASH 32' TO BOTTOM, NO FILL.								
15:00	16:00	1.0	DRILL 7112' TO 7159', 47' @ 47 FPH, 45 RPM + 73/ RPM ON MOTOR. WOB 12/18K. PUMP 456 GPM @ 120 SPM, SPP 2350 PSI, DIFF 214 DRLG. KMV PRICE RIVER F/7048'. MUD WEIGHT 11.0 PPG.. (FUNC COM. DRILLING).								
16:00	16:30	0.5	SERVICE RIG.								
16:30	06:00	13.5	DRILL 7159' TO 8025', 866'/64.14 FPH, 45 RPM + 73/ RPM ON MOTOR. WOB 18/23K. PUMP 456 GPM @ 120 SPM, SPP 2550 PSI, DIFF 240/315 DRLG. KMV PRICE RIVER F/7048', MIDDLE PRICE F/7758'. MUD WEIGHT 11.2 PPG, VISCOSITY 37								
FULL CREWS. NO ACCIDENTS REPORTED.											
SAFETY MEETINGS TOPICS; HOISTING SAFETY. LOTO.											
FUEL ON HAND 4446 GAL. USED 1326 GAL.											
WEATHER; FAIR, TEMP 55 DEG. DEWPOINT 33 DEG. WIND SSW 5-10 MPH. HUMIDITY 43%, VISIBILITY 10 MI.											
4.5" PROD. CSG. RECEIVED 215 JTS + 2 MKRS. C/O 6 JTS + 2 MKRS. 9421' O/A THREADS OFF.											

08-11-2010		Reported By		GLEN PRUET							
DailyCosts: Drilling		\$27,343		Completion		\$0		Daily Total		\$27,343	
Cum Costs: Drilling		\$555,144		Completion		\$3,925		Well Total		\$559,069	
MD	8,627	TVD	8,627	Progress	402	Days	5	MW	11.2	Visc	40.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: TOH FOR BIT & MOTOR											
Start	End	Hrs	Activity Description								
06:00	14:30	8.5	DRILL 8025' TO 8408', 383'/45.05 FPH, 45 RPM + 73/ RPM ON MOTOR. WOB 18/23K. PUMP 456 GPM @ 120 SPM, SPP 2550 PSI, DIFF 240/315 DRLG. MIDDLE PRICE F/7758'.								
14:30	15:00	0.5	SERVICE RIG.								

15:00 03:30 12.5 DRILL 8408' TO 8627', 219'/17.52 FPH, 45 RPM + 73/ RPM ON MOTOR. WOB 22/24K. PUMP 420 GPM @ 120 SPM, SPP 2600 PSI, DIFF 315/430 DRLG. LOWER PRICE RIVER F/8535'.

03:30 04:30 1.0 PUMP SWEEP, (80 BBLs) & CBU.

04:30 06:00 1.5 CHECK FLOW, SURVEY, PUMP SLUG AND TFNB AND MOTOR @ 8627'.

MUD WEIGHT 11.5 PPG, VISCOSITY 36

FULL CREWS. NO ACCIDENTS REPORTED.

SAFETY MEETINGS TOPICS; FIRE EXTINGUISHERS. COMPLACENCY.

FUEL ON HAND 3046 GAL. USED 1400 GAL.

WEATHER; FAIR, TEMP 58 DEG. DEWPOINT 37 DEG. WIND W 10-20 MPH. HUMIDITY 49%, VISIBILITY 10 MI.

**08-12-2010**      **Reported By**      DAVID GREESON / G. PRUET

**Daily Costs: Drilling**      \$30,925      **Completion**      \$0      **Daily Total**      \$30,925

**Cum Costs: Drilling**      \$586,069      **Completion**      \$3,925      **Well Total**      \$589,994

**MD**      9,250      **TVD**      9,250      **Progress**      623      **Days**      6      **MW**      11.6      **Visc**      42.0

**Formation :**      **PBTD : 0.0**      **Perf :**      **PKR Depth : 0.0**

**Activity at Report Time:** LD DP

Start	End	Hrs	Activity Description
06:00	09:00	3.0	TRIP OUT. HOLE DRAG 6754' & 6660'.
09:00	11:30	2.5	TRIP IN THE HOLE W/ BHA AND BIT #3. TIGHT SPOT AT 7,767'; NO OTHER PROBLEMS.
11:30	12:00	0.5	WASH 32' TO BOTTOM.
12:00	16:30	4.5	DRILL F/8627' TO 8846' (219') 49' FPH. 45 RPM + 64 RPM ON MOTOR. WOB 18-20K. PUMP 401 GPM @ 115 SPM, SPP 2450 PSI, DIFF 250/40 DRLG. LOWER PRICE RIVER F/8535'.
16:30	17:00	0.5	SERVICE RIG
17:00	02:30	9.5	DRILL F/8846' TO 9250' (404') 43' FPH. 45 RPM + 64 RPM ON MOTOR. WOB 18-20K. PUMP 401 GPM @ 115 SPM, SPP 2450 PSI, DIFF 250/400. DRLG. SEGO FORM. F/9093'. REACHED TD @ 02:30 HRS, 8/12/10.
02:30	03:30	1.0	CIRCULATE BEFORE SHORT TRIP. PUMP 30 BBL HI-VIS SWEEP. PUMP DRYJOB.
03:30	04:30	1.0	SHORT TRIP 10 STANDS AND BACK TO BOTTOM. NO HOLE PROBLEMS.
04:30	06:00	1.5	CIRCULATE BEFORE LAYING DOWN DRILL STRING. RIG UP FRANKS-WESTATES LD MACHINE AND HELD SAFETY MEETING WITH ALL ON LOCATION PRESENT. PUMP 60 BBL HI-VIS SWEEP. PUMP DRY-JOB SLUG.

MUD WEIGHT 11.6 PPG, VISCOSITY 38

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.

SAFETY MEETINGS TOPICS: CHANGING TONG DIES/TRIPPING PIPE.

CHECK COM WHILE DRILLING AND TRIPPING

FUEL RECEIVED: 1000 GL., ON HAND: 2622 GL. USED: 1285 GL.

NOTIFIED BLM AND C. DANIELS OF UDOGM ON 8/11/10 AT 16:00 OF INTENT TO RUN PROD. CSG ON 16:00 8/12/10.

**08-13-2010**      **Reported By**      DAVID GREESON

**Daily Costs: Drilling**      \$51,336      **Completion**      \$159,455      **Daily Total**      \$210,792

**Cum Costs: Drilling**      \$637,406      **Completion**      \$163,380      **Well Total**      \$800,787

**MD**      9,250      **TVD**      9,250      **Progress**      0      **Days**      7      **MW**      11.6      **Visc**      41.0

**Formation :**      **PBTD : 0.0**      **Perf :**      **PKR Depth : 0.0**

**Activity at Report Time:** RDRT/NO COMPLETION



Start	End	Hrs	Activity Description
06:00	11:00	5.0	DROP SURVEY AND PUMP DRYJOB SLUG. LD DRILL PIPE, BREAK KELLY AND LD BHA. PRODUCTION CASING POINT @ 06:00, 8/12/10.
11:00	11:30	0.5	PULL WEAR BUSHING.
11:30	12:00	0.5	RU FRANKS-WESTATES CASING CREW SERVICE TOOLS. HELD SAFETY MEETING WITH ALL PRESENT.
12:00	18:00	6.0	RAN 217 JTS. 4.5" 11.6# N-80 LT&C CASING. TAGGED BOTTOM W/ JOINT #218, LAYED IT BACK DOWN AND PICKED UP FLUTED CASING HANGER W/ LANDING JOINT. LANDED THE SHOE AT 9247.35', FC AT 9203', TOPS OF HCP-110 MARKER JTS SET AT 7061' AND 4427'. LANDED HANGER W/ 105,000 WET STRING WIEGHT.
18:00	18:30	0.5	DRAIN STACK, LOWER CASING HANGER AND SET IN PLACE WITH 105K WET STRING WT.
18:30	19:30	1.0	CIRCULATE AND RU HALLIBURTON CEMENTERS TOOLS. HELD SAFETY MEETING W/ ALL ON LOCATION PRESENT OVER CEMENTING OPERATIONS.
19:30	22:30	3.0	CEMENTING AS FOLLOWS: TEST PUMP & LINES TO 5000 PSI; PUMP 20 BBLS MUD FLUSH AND 10 BBLS FRESH WATER SPACER. PUMPED 157 BBLS (480 SKS) Highbond LEAD CEMENT MIXED @ 12.0 PPG, 1.84 CU. FT/SK, 9.86 GAL/SK WATER; PLUS 333 BBLS (1275 SKS), EXTENDACEM TAIL CEMENT MIXED @ 13.5 PPG, 1.47 CU. FT/SK, 6.98 GAL/SK WATER; WASH PUMP & LINES, LOAD & DROPPED TOP PLUG ONLY. DISPLACED WITH 143 BBLS FRESH WATER @ 6 BPM AVERAGE, BUMP PLUG W/1500 PSI OVER FCP OF 2750 PSI @ 3 BPM. HELD PRESSURE (4100 PSI) FOR 5 MIN. RELEASED PRESSURE, FLOW BACK 2 BBLS. PLUG _ FLOAT & SHOE APPEARED TO HOLD,  RE-PRESSURED UP TO 3000 PSI FOR 1 HOUR. PLUG DOWN @ 22:30 HRS 8/12/10. FULL RETURNS DURING CEMENTING WITH MUD ONLY.
22:30	23:30	1.0	WAIT ON CEMENT, HELD CEMENTING HEAD IN PLACE FOR ONE HOUR W/ 3000 PSI ON HEAD. RIG DOWN CEMENTING EQUIPMENT.
23:30	00:00	0.5	SET PACK OFF RING ON CASING HANGER. TEST TO 5000 PSI.
00:00	03:00	3.0	ND BOP, CHOKE LINES, FLOWLINE AND FLARE LINES. CLEAN PITS WITH R&R BADGER VAC-TRUCK.
03:00	06:00	3.0	RDMO ROTARY TOOL. RW JONES TRUCKS EXPECTED AT 06:00  RIG MOVE FROM THE ECW 88-03 TO THE ECW 89-03, 0.3 MILES.  TRANSFERRING 169.29' OF 4.5", 11.6#, N-80 CSG., 32.36' OF 4.5", 11.6#, P-110 MARKER JT'S. AND 2052 GL. FUEL FROM THE ECW 88-03 TO THE ECW 89-03.  FULL CREWS. ONE INCIDENT REPORTED: ELIAS ENTZ WAS HIT IN THE THIGH W/ HAMMER, NO MEDICAL TREATMENT REQUIRED.  SAFETY MEETINGS TOPICS: LD DP/ CEMENT CASING.  CHECK COM WHILE DRILLING AND TRIPPING  FUEL ON HAND: 2052 GL. USED: 570GL.  NOTIFIED BLM AND C. DANIELS OF UDOGM ON 8/12/10 AT 15:00 REGARDING BOP TEST SCHEDULED FOR 20:00 8/13/10 ON THE ECW 89-03.
06:00			RIG RELEASED AT 03:00 HRS, 8/13/10.  CASING POINT COST \$633,378

<b>08-18-2010</b>		<b>Reported By</b>		SEARLE	
<b>Daily Costs: Drilling</b>		\$0		<b>Completion</b>	\$29,300
<b>Cum Costs: Drilling</b>		\$637,406		<b>Completion</b>	\$192,680
<b>MD</b>	9,250	<b>TVD</b>	9,250	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD :</b> 9203.0		<b>Perf :</b>	
<b>Activity at Report Time:</b> PREP FOR FRACS				<b>Days</b>	8
				<b>MW</b>	0.0
				<b>Visc</b>	0.0
				<b>PKR Depth :</b> 0.0	

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM 9182' TO 200'. EST CEMENT TOP @ 950'. RDWL.

**08-20-2010**      **Reported By**      MCCURDY

**DailyCosts: Drilling**      \$0      **Completion**      \$1,468      **Daily Total**      \$1,468

**Cum Costs: Drilling**      \$637,406      **Completion**      \$194,148      **Well Total**      \$831,555

**MD**      9,250      **TVD**      9,250      **Progress**      0      **Days**      9      **MW**      0.0      **Visc**      0.0

**Formation :**      **PBTD :** 9203.0      **Perf :**      **PKR Depth :** 0.0

**Activity at Report Time:** WO COMPLETION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.

**08-26-2010**      **Reported By**      MCCURDY

**DailyCosts: Drilling**      \$0      **Completion**      \$1,338      **Daily Total**      \$1,338

**Cum Costs: Drilling**      \$637,406      **Completion**      \$195,486      **Well Total**      \$832,893

**MD**      9,250      **TVD**      9,250      **Progress**      0      **Days**      10      **MW**      0.0      **Visc**      0.0

**Formation :** MESAVERDE      **PBTD :** 9203.0      **Perf :** 7192'-9000'      **PKR Depth :** 0.0

**Activity at Report Time:** FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	STAGE 1. MIRU CUTTERS WIRELINE & PERFORATE LPR FROM 8651'-52', 8657'-58', 8673'-74', 8692'-93', 8709'-10', 8743'-44', 8758'-59', 8768'-69', 8842'-43', 8860'-61', 8881'-82', 8999'-9000' @ 3 SPF & 120 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7343 GAL 16# LINEAR W/9400# 20/40 SAND @ 1-1.5 PPG, 32351 GAL 16# DELTA 200 W/108900# 20/40 SAND @ 2-5 PPG. MTP 6006 PSIG. MTR 50.8 BPM. ATP 5153 PSIG. ATR 49.1 BPM. ISIP 3247 PSIG. RD HALLIBURTON.

STAGE 2. RUWL. SET 6K CFP AT 8590'. PERFORATE MPR FROM 8312'-13', 8325'-26', 8356'-57', 8390'-91', 8432'-33', 8446'-47', 8466'-67', 8483'-84', 8517'-18', 8535'-36', 8550'-51', 8564'-65' @ 3 SPF & 120 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 49322 GAL 16# DELTA 200 W/136900# 20/40 SAND @ 1-5 PPG. MTP 6226 PSIG. MTR 50.4 BPM. ATP 5555 PSIG. ATR 45 BPM. ISIP 3617 PSIG. RD HALLIBURTON.

STAGE 3. RUWL. SET 6K CFP AT 8265'. PERFORATE MPR FROM 8065'-66', 8075'-76', 8094'-95', 8106'-07', 8121'-22', 8147'-48', 8200'-02', 8208'-10', 8236'-37', 8242'-43' @ 3 SPF & 120 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 51310 GAL 16# DELTA 200 W/158300# 20/40 SAND @ 1-5 PPG. MTP 6166 PSIG. MTR 50.9 BPM. ATP 5082 PSIG. ATR 49.3 BPM. ISIP 2683 PSIG. RD HALLIBURTON.

STAGE 4. RUWL. SET 6K CFP AT 8036'. PERFORATE MPR FROM 7832'-33', 7840'-41', 7845'-46', 7863'-64', 7883'-84', 7918'-19', 7930'-31', 7937'-38', 7987'-88', 8003'-04', 8013'-14', 8018'-19' @ 3 SPF & 120 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 8350 GAL 16# LINEAR W/11000# 20/40 SAND @ 1-1.5 PPG, 42864 GAL 16# DELTA 200 W/146700# 20/40 SAND @ 2-5 PPG. MTP 5818 PSIG. MTR 53.4 BPM. ATP 53.4 PSIG. ATR 49 BPM. ISIP 2996 PSIG. RD HALLIBURTON.

STAGE 5. RUWL. SET 6K CFP AT 7814'. PERFORATE UPR FROM 7600'-02', 7607'-09', 7626'-28', 7634'-35', 7651'-52', 7753'-54', 7777'-78', 7785'-86', 7796'-97' @ 3 SPF & 120 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7369 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 37306 GAL 16# DELTA 200 W/128100# 20/40 SAND @ 2-5 PPG. MTP 5599 PSIG. MTR 50.6 BPM. ATP 4337 PSIG. ATR 50 BPM. ISIP 2616 PSIG. RD HALLIBURTON.

STAGE 6. RUWL. SET 6K CFP AT 7500'. PERFORATE UPR FROM 7192'-93', 7230'-31', 7250'-51', 7273'-74', 7396'-97', 7316'-17', 7324'-25', 7343'-44', 7356'-57', 7364'-65', 7463'-64', 7475'-76' @ 3 SPF & 120 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 8395 GAL 16# LINEAR W/11000# 20/40 SAND @ 1-1.5 PPG, 41244 GAL 16# DELTA 200 W/138800# 20/40 SAND @ 2-5 PPG. PUMPED SCALECHEK HT @ 1.25 LB/1000 LB PROP. MTP 5385 PSIG. MTR 50.9 BPM. ATP 3886 PSIG. ATR 50.5 BPM. ISIP 2510 PSIG. RD HALLIBURTON. SWIFN.

08-27-2010		Reported By		MCCURDY							
DailyCosts: Drilling		\$0		Completion		\$394,844		Daily Total		\$394,844	
Cum Costs: Drilling		\$637,406		Completion		\$590,331		Well Total		\$1,227,737	
MD	9,250	TVD	9,250	Progress	0	Days	11	MW	0.0	Visc	0.0
Formation : MESAVERDE / WASATCH			PBTD : 9203.0			Perf : 5354'-9000'			PKR Depth : 0.0		

**Activity at Report Time:** MIRUSU CLEAN OUT SAND AND DRILL OUT FRAC PLUGS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	STAGE 7. INTIAL PRESSURE 1490 PSIG. RUWL. SET 6K CFP AT 7130'. PERFORATE UPR / NH FROM 6984'-85', 7000'-01', 7005'-06', 7023'-24', 7028'-29', 7033'-34', 7049'-50', 7056'-57', 7069'-70', 7096'-97', 7101'-02', 7107'-08' @ 3 SPF & 120 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 8468 GAL 16# LINEAR W/11100# 20/40 SAND @ 1-1.5 PPG, 43231 GAL 16# DELTA 200 W/148900# 20/40 SAND @ 2-5 PPG. PUMPED SCALECHEK HT @ 1.25 LB/1000 LB PROP. MTP 4731 PSIG. MTR 50.8 BPM. ATP 3418 PSIG. ATR 50.6 BPM. ISIP 2369 PSIG. RD HALLIBURTON.

STAGE 8. RUWL. SET 6K CFP AT 6964'. PERFORATE NH FROM 6716'-17', 6722'-23', 6728'-29', 6793'-94', 6805'-06', 6815'-16', 6847'-48', 6885'-86', 6911'-12', 6933'-34', 6947'-48' @ 3 SPF & 120 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 7437 GAL 16# LINEAR W/9600# 20/40 SAND @ 1-1.5 PPG, 44354 GAL 16# DELTA 200 W/156000# 20/40 SAND @ 2-4 PPG. PUMPED SCALECHEK HT @ 1.25 LB/1000 LB PROP. MTP 4878 PSIG. MTR 51.1 BPM. ATP 3841 PSIG. ATR 50.4 BPM. ISIP 2656 PSIG. RD HALLIBURTON.

STAGE 9. RUWL. SET 6K CFP AT 6600'. PERFORATE Ba FROM 6325'-26', 6336'-37', 6391'-92', 6406'-07', 6418'-19', 6433'-34', 6520'-23', 6565'-66', 6570'-71', 6577'-78' @ 3 SPF & 120 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 7412 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 19182 GAL 16# DELTA 200 W/60100# 20/40 SAND @ 2-4 PPG. MTP 5015 PSIG. MTR 50.6 BPM. ATP 3847 PSIG. ATR 50.4 BPM. ISIP 2013 PSIG. RD HALLIBURTON.

STAGE 10. RUWL. SET 6K CFP AT 6100'. PERFORATE Ca / Ba FROM 5737'-40', 5752'-55', 5914'-16', 5992'-93', 6039'-40', 6063'-64', 6074'-75' @ 3 SPF & 120 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 7422 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 22307 GAL 16# DELTA 200 W/71500# 20/40 SAND @ 2-4 PPG. MTP 5157 PSIG. MTR 50.8 BPM. ATP 3630 PSIG. ATR 50.5 BPM. ISIP 1924 PSIG. RD HALLIBURTON.

STAGE 11. RUWL. SET 6K CFP AT 5614'. PERFORATE Pp / Ca FROM 5354'-56', 5378'-80', 5409'-11', 5423'-25', 5517'-18', 5572'-73', 5582'-84' @ 3 SPF & 120 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 2143 GAL 16# LINEAR W/2700# 20/40 SAND @ 1-1.5 PPG, 31501 GAL 16# DELTA 200 W/111500# 20/40 SAND @ 2-4 PPG. MTP 4276 PSIG. MTR 50.7 BPM. ATP 2929 PSIG. ATR 50.5 BPM. ISIP 1651 PSIG. RD HALLIBURTON.

RUWL. SET 6K CBP AT 5248'. BLED WELL TO 0 PSIG. RDMO CUTTERS WIRELINE & HALIBURTON SERVICES. SWIFN.

<b>08-31-2010</b>		<b>Reported By</b>		HISLOP							
<b>DailyCosts: Drilling</b>		\$0		<b>Completion</b>		\$26,122		<b>Daily Total</b>		\$26,122	
<b>Cum Costs: Drilling</b>		\$637,406		<b>Completion</b>		\$616,453		<b>Well Total</b>		\$1,253,859	
<b>MD</b>	9,250	<b>TVD</b>	9,250	<b>Progress</b>	0	<b>Days</b>	12	<b>MW</b>	0.0	<b>Visc</b>	0.0

Formation : MESAVERDE /  
WASATCH

PBTD : 9203.0

Perf : 5354'-9000'

PKR Depth : 0.0

Activity at Report Time: POST FRAC CLEAN OUT

Start	End	Hrs	Activity Description									
06:00	06:00	24.0	MIRUSU. ND FRAC TREE & NU BOP. PRESSURE TESTED BOP/BLIND RAMS TO 3000 PSIG. RIH W/ BIT & PUMP OFF SUB TO 5248'. RU TO DRILL OUT PLUGS. TESTED PIPE RAMS TO 3000 PSIG. SDFN.									
09-01-2010		Reported By		HISLOP								
Daily Costs: Drilling		\$0		Completion		\$76,721		Daily Total		\$76,721		
Cum Costs: Drilling		\$637,406		Completion		\$693,174		Well Total		\$1,330,580		
MD	9,250	TVD	9,250	Progress	0	Days	13	MW	0.0	Visc	0.0	

Formation : MESAVERDE /  
WASATCH

PBTD : 9203.0

Perf : 5354'-9000'

PKR Depth : 0.0

Activity at Report Time: FLOW TEST-INITIAL PRODUCTION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 5248', 5614', 6100', 6600', 6964', 7130', 7500', 7814', 8036', 8265' & 8590'. CLEANED OUT TO 9105'. LANDED TUBING @ 7188' KB. ND BOP & NU TREE. PUMPED OFF BIT & SUB. RDMOSU.
			FLOWED THROUGH TEST UNIT TO SALES. 13 HRS. 18/64" CHOKE. FTP 1050 PSIG. CP 900 PSIG. 44 BFPH. RECOVERED 556 BLW. 12404 BLWTR. 339 MCFD RATE.
			TUBING DETAIL    LENGTH
			PUMP OFF BIT SUB   .91'
			1 JT 2-3/8" 4.7# N-80 TBG   32.65'
			XN NIPPLE   1.30'
			219 JTS 2-3/8" 4.7# N-80 TBG   7134.13'
			BELOW KB   19.00'
			LANDED @   7187.99' KB
			INITIAL PRODUCTION. OPENING PRESSURE: TP 900 PSIG & CP 950 PSIG. TURNED WELL OVER TO QUESTAR SALES AT 05:20 PM, 8/31/10. FLOWED 200 MCFD RATE ON 18/64" POS CHOKE. STATIC 199. QUESTAR METER #008533.

09-02-2010		Reported By		HISLOP							
Daily Costs: Drilling		\$0		Completion		\$19,754		Daily Total		\$19,754	
Cum Costs: Drilling		\$637,406		Completion		\$712,928		Well Total		\$1,350,334	
MD	9,250	TVD	9,250	Progress	0	Days	14	MW	0.0	Visc	0.0
Formation : MESAVERDE / WASATCH			PBTD : 9203.0			Perf : 5354'-9000'			PKR Depth : 0.0		

Activity at Report Time: FLOW TEST TO SALES

Start	End	Hrs	Activity Description						
06:00	06:00	24.0	FLOWED THROUGH TEST UNIT TO SALES. 24 HRS. 20/64" CHOKE. FTP 950 PSIG. CP 950 PSIG. 44 BFPH. RECOVERED 1064 BLW. 11340 BLWTR. 390 MCFD RATE.						

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other			5. Lease Serial No. UTU01304		
b. Type of Completion <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr. Other _____			6. If Indian, Allottee or Tribe Name		
2. Name of Operator EOG RESOURCES, INC.			7. Unit or CA Agreement Name and No.		
Contact: MICHELLE E ROBLES E-Mail: MICHELLE_ROBLES@EOGRESOURCES.COM			8. Lease Name and Well No. EAST CHAPITA 88-03		
3. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078			9. API Well No. 43-047-40512		
3a. Phone No. (include area code) Ph: 307-276-4842			10. Field and Pool, or Exploratory NATURAL BUTTES		
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface SWNE 2107FNL 1995FEL 40.06617 N Lat, 109.31089 W Lon At top prod interval reported below SWNE 2107FNL 1995FEL 40.06617 N Lat, 109.31089 W Lon At total depth SWNE 2107FNL 1995FEL 40.06617 N Lat, 109.31089 W Lon			11. Sec., T., R., M., or Block and Survey or Area Sec 3 T9S R23E Mer SLB		
14. Date Spudded 07/08/2010			12. County or Parish UINTAH		
15. Date T.D. Reached 08/12/2010			13. State UT		
16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 08/31/2010			17. Elevations (DF, KB, RT, GL)* 4993 GL		
18. Total Depth: MD TVD 9250		19. Plug Back T.D.: MD TVD 9203		20. Depth Bridge Plug Set: MD TVD	
21. Type Electric & Other Mechanical Logs Run (Submit copy of each) RST/CBL/CCL/VDL/GR				22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis)	

## 23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 J55	36.0	0	2582		790		0	
7.875	4.500 N80	11.6	0	9247		1755		0	

## 24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	7188							

## 25. Producing Intervals

## 26. Perforation Record

5354

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
AWASATCH/MESAVERDE	5354	9000	8651 TO 9000		3	
B)			8312 TO 8565		3	
C)			8065 TO 8243		3	
D)			7832 TO 8019		3	

## 27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
8651 TO 9000	39,914 GALS GELLED WATER & 118,300# 20/40 SAND
8312 TO 8565	49,542 GALS GELLED WATER & 136,900# 20/40 SAND
8065 TO 8243	51,530 GALS GELLED WATER & 158,300# 20/40 SAND
7832 TO 8019	51,434 GALS GELLED WATER & 157,700# 20/40 SAND

## 28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
08/31/2010	09/21/2010	24	→	40.0	975.0	400.0			FLows FROM WELL
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
24/64	720	1300.0	→	40	975	400		PGW	

## 28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #93665 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*

RECEIVED

OCT 04 2010

DIV. OF OIL, GAS &amp; MINING



## 28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

## 28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

29. Disposition of Gas(Sold, used for fuel, vented, etc.)  
SOLD

## 30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

## 31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
WASATCH/MESAVERDE	5354	9000		GREEN RIVER	1675
				BIRDS NEST	1951
				MAHOGANY	2606
				UTELAND BUTTE	4670
				WASATCH	4809
				CHAPITA WELLS	5413
				BUCK CANYON	6101
				PRICE RIVER	7035

## 32. Additional remarks (include plugging procedure):

## 33. Circle enclosed attachments:

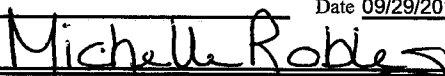
- |   |                    |               |                       |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.)     | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis   | 7 Other:      |                       |

## 34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #93665 Verified by the BLM Well Information System.  
For EOG RESOURCES, INC., sent to the Vernal

Name (please print) MICHELLE E ROBLESTitle REGULATORY ASSISTANT

Signature \_\_\_\_\_ (Electronic Submission)

Date 09/29/2010


Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\*

**East Chapita 88-03 ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

7600-7797	3/spf
7192-7476	3/spf
6984-7108	3/spf
6716-6948	3/spf
6325-6578	3/spf
5737-6075	3/spf
5354-5584	3/spf

**27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.**

7600-7797	44,895 GALS GELLED WATER & 137,600# 20/40 SAND
7192-7476	49,694 GALS GELLED WATER & 149,800# 20/40 SAND
6984-7108	51,754 GALS GELLED WATER & 160,000# 20/40 SAND
6716-6948	51,846 GALS GELLED WATER & 165,600# 20/40 SAND
6325-6578	26,649 GALS GELLED WATER & 69,600# 20/40 SAND
5737-6075	29,784 GALS GELLED WATER & 81,000# 20/40 SAND
5354-5584	33,699 GALS GELLED WATER & 114,200# 20/40 SAND

PERFORATE LOWER PRICE RIVER FROM 8651'-52', 8657'-58', 8673'-74', 8692'-93', 8709'-10', 8743'-44', 8758'-59', 8768'-69', 8842'-43', 8860'-61', 8881'-82', 8999'-9000' @ 3 SPF.

PERFORATE MIDDLE PRICE RIVER FROM 8312'-13', 8325'-26', 8356'-57', 8390'-91', 8432'-33', 8446'-47', 8466'-67', 8483'-84', 8517'-18', 8535'-36', 8550'-51', 8564'-65' @ 3 SPF.

PERFORATE MIDDLE PRICE RIVER FROM 8065'-66', 8075'-76', 8094'-95', 8106'-07', 8121'-22', 8147'-48', 8200'-02', 8208'-10', 8236'-37', 8242'-43' @ 3 SPF.

PERFORATE MIDDLE PRICE RIVER FROM 7832'-33', 7840'-41', 7845'-46', 7863'-64', 7883'-84', 7918'-19', 7930'-31', 7937'-38', 7987'-88', 8003'-04', 8013'-14', 8018'-19' @ 3 SPF.

PERFORATE UPPER PRICE RIVER FROM 7600'-02', 7607'-09', 7626'-28', 7634'-35', 7651'-52', 7753'-54', 7777'-78', 7785'-86', 7796'-97' @ 3 SPF.

PERFORATE UPPER PRICE RIVER FROM 7192'-93', 7230'-31', 7250'-51', 7273'-74', 7396'-97', 7316'-17', 7324'-25', 7343'-44', 7356'-57', 7364'-65', 7463'-64', 7475'-76' @ 3 SPF.

PERFORATE UPPER PRICE RIVER / NH FROM 6984'-85', 7000'-01', 7005'-06', 7023'-24', 7028'-29', 7033'-34', 7049'-50', 7056'-57', 7069'-70', 7096'-97', 7101'-02', 7107'-08' @ 3 SPF.

PERFORATE NH FROM 6716'-17', 6722'-23', 6728'-29', 6793'-94', 6805'-06', 6815'-16', 6847'-48', 6885'-86', 6911'-12', 6933'-34', 6947'-48' @ 3 SPF.

PERFORATE Ba FROM 6325'-26', 6336'-37', 6391'-92', 6406'-07', 6418'-19', 6433'-34', 6520'-23', 6565'-66', 6570'-71', 6577'-78' @ 3 SPF.

PERFORATE Ca / Ba FROM 5737'-40', 5752'-55', 5914'-16', 5992'-93', 6039'-40', 6063'-64', 6074'-75' @ 3 SPF.

PERFORATE Pp / Ca FROM 5354'-56', 5378'-80', 5409'-11', 5423'-25', 5517'-18', 5572'-73', 5582'-84' @ 3 SPF.

## **52.FORMATION MARKERS**

Middle Price River	7773
Lower Price River	8558
Sego	9109